

The National

LIFE INSURANCE

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Human Emotion and Experience

An advertising agency of New York City, in a remarkably readable and effective memorandum to national advertisers, is fearlessly frank about some of the classical quiddities of the "advertising game."

Without explanation, it seems treasonable for such an agency to declare that "it pays to advertise" is a treasonable phrase," and yet when the agency explains that the phrase has led to great waste and extravagance in advertising, one can readily believe it.

A striking feature of the memorandum is the outline of a survey conducted by a group of psychologists from leading American universities, which survey, among other things, declares that the greatest effect in advertising was not necessarily scored by the most beautiful ad, the most striking ad, the most factually logical, but *by the one that rang closest to human emotion and experience.*

What a wonderful opportunity there is given the Life Insurance Agent to advertise the service he is offering the American public! Few things in life come closer to stirring human emotions than this manifestation of thought and care for family, and the experience of life answers responsively the appeal for protection of self, family, business, and estate.

Life Insurance is the most human of all business institutions, and experience makes it a subject of interest to men who want to be considerate of those who are near and dear to them. In Life Insurance, there is psychology which, taken advantage of, can be made a valuable asset to all concerned.

**THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY**

Milwaukee, Wisconsin

Figures that Speak

The Metropolitan Life Insurance Company presents figures from its Annual Statement for 1933 and makes comparisons which show how the Company has carried on during the five difficult years since 1928

THROUGHOUT a period of almost unparalleled world-wide depression the institution of Life Insurance in America has furnished an example of achievement that wins admiration wherever it is understood.

Between January 1st, 1929, and January 1st, 1934, the Metropolitan Life Insurance Company, which insures the lives of more than 25,000,000 persons—nearly one-fifth of the total populations of the United States and Canada — paid to its policyholders and their beneficiaries more than Two Billion Dollars (\$2,000,000,000).

During the same period, its policyholders contributed, through their premium payments, toward the increase of more than One Billion Dollars (\$1,000,000,000) in

the assets held for future distribution to themselves and their beneficiaries.

After payment, during that period, of more than Four Hundred and Fifty Million Dollars (\$450,000,000) by way of dividends to policyholders, the Company's surplus was increased by more than One Hundred Million Dollars (\$100,000,000).

These figures, of one company alone, are striking evidence of the reliance which the people of the United States and Canada place on the security and protection of life insurance.

Life Insurance is the most effective and satisfactory means of providing for the future of one's self and one's dependents.

	December 31, 1928	December 31, 1933	Increase in Five Years
Assets	\$2,695,475,965.64	\$3,860,761,191.39	\$1,165,285,225.75
Statutory Policy Reserves	2,374,118,707.00	3,358,462,467.00	984,343,760.00
Other Liabilities	161,281,258.71	216,175,691.68	54,894,432.97
Surplus, including Contingency Reserve	160,075,999.93	286,123,032.71	126,047,032.78
Insurance in Force	16,371,956,002.00	18,802,984,818.00	2,431,028,816.00
Dividends paid Policyholders	67,904,719.32	101,790,536.56	450,608,045.72
Total paid Policyholders and Beneficiaries (including Dividends)	283,396,831.69	572,679,580.85	2,319,359,211.70

Report for the Year Ending December 31, 1933

(In accordance with the Annual Statement filed with the New York State Insurance Department)

Assets	\$3,860,761,191.39
Liabilities	
Statutory Policy Reserves	\$3,358,462,467.00
Reserve for Dividends payable in 1934 upon	
Industrial Policies	\$45,232,899.00
Ordinary Policies	48,188,553.00
Accident and Health Policies	1,809,000.00
Total Reserve for Dividends	95,230,452.00
All Other Liabilities	120,945,239.68
Contingency Reserve	43,000,000.00
Unassigned Funds (Surplus)	243,123,032.71
	\$3,860,761,191.39
Income in 1933	871,233,003.33
Increase in Assets during 1933	91,388,766.11

Note—The values used for stocks and for bonds not subject to amortization are those furnished by the National Convention of Insurance Commissioners. On the basis of market values, as of December 31, 1933, of stocks and of bonds not subject to amortization, the Total Assets are \$3,837,723,706.21, the Contingency Reserve \$19,962,514.82 and the Unassigned Funds (Surplus) \$243,123,032.71.



Life Insurance Outstanding	
Ordinary Insurance	\$9,936,236,416.00
Industrial Insurance (premiums payable weekly or monthly)	6,424,469,056.00
Group Insurance	2,442,279,346.00
Total Insurance Outstanding	\$18,802,984,818.00
Policies in Force (including 1,352,614 Group Certificates)	41,660,510
Paid-for Life Insurance Issued, Revived and Increased in 1933, \$3,174,994,475. Ordinary, \$1,583,300,706; Industrial, \$1,505,470,439; Group (excluding Increased) \$86,223,330.	
Accident and Health Insurance Outstanding	
Principal Sum Benefit	\$1,213,622,700.00
Weekly Indemnity	12,536,918.00
Dividends Paid to Policyholders to date plus those declared for 1934	\$918,472,210.17

This is a mutual Company. There are no stockholders. All of its assets are held for the benefit of its Policyholders.

METROPOLITAN LIFE INSURANCE COMPANY — NEW YORK

FREDERICK H. ECKER, President

LEROY A. LINCOLN, Vice-President and General Counsel

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Eighth Year—No. 14

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, APRIL 6, 1934

\$3.00 Per Year, 15 Cents a Copy

Drawbacks Seen in Securities Act

Life Companies Have to Take Entire Issues of Bonds on the Market

VIEW GENERAL SET-UP

Investment Situation Growing More Favorable—Executives Still Adhere to High Liquidity Policy

NEW YORK, April 5.—The federal securities act, with its threat of drastic penalties against officers and directors of corporations offering bonds to the public, is so stringent that in several cases where life companies wished to lend money to corporations of unquestioned soundness, the arrangement had to be made by private sale of bonds, a group of life companies taking the entire issue. The securities act does not apply to such transactions, but only where there is a public offering.

Obviously it is cumbersome to have to resort to such procedure every time a life company wants to buy a block of bonds. Right now, because of a feeling among investment executives that much of the present business improvement is due to government money, and a consequent unwillingness to abandon a high liquidity policy, the hampering effect of the securities act is not so irksome as it will be later on, unless considerably modified, when there is general confidence that the general upturn will continue even after the federal government stops priming the pump.

Throw a Scare Into Managements

The penalties provided by the securities act are enough to throw a scare into the management and directorate of even the most conservatively managed corporation that would ever float a bond issue. There must not only be a complete absence of misrepresentation in offering the bonds to the public, but failure to include any "material" fact may bring dire punishment down on the heads of the officers and directors. There is little wonder that boards of directors have threatened to resign rather than assume such responsibility. Exactly what constitutes a material fact is usually for the jury to decide, and nobody is anxious to leave his fate up to 12 assorted citizens whose limited powers of judgment have been befuddled by legal eloquence.

The general investment picture grows steadily more favorable, although there is no way of telling how much of the general business improvement is real and how much is solely dependent on the hot-house stimulus of federal government funds.

Railroad carloadings are much better than this time last year. The comparison with last year will probably not continue so favorable, however, as the ratio

Higher Mortality Is Seen

Some Interesting Observations Are Made on the Experience of Companies on Policies That Have Been Rewritten

Plans for rewriting heavily loaned business, which have recently been found by the Life Insurance Sales Research Bureau to result in poor persistency, have also shown a bad mortality record, unless evidence of insurability is required. One company which tried a non-medical rewriting plan for cases where the net amount at risk was not increased, made evidence of insurability mandatory after experimenting for less than a year with the non-medical plan. Another which has had considerable experience with the non-medical plan is seriously considering dropping this feature.

Higher Mortality Seen in Rewritten Group.

There seems little doubt that the non-medical feature results in higher mortality. There is a question, however, whether this high mortality might have been experienced with these cases if they had continued without rewriting. Rewriting them makes it possible to examine their mortality as a class, where otherwise it would be lumped in with the general experience.

Actuaries and home office underwriters are by no means agreed that periods of high lapses and surrenders increase the selection against the company. Some hold that the theoretically better persistency of the impaired policyholders is more than offset by the fact that many of the less physically fit would be unable to raise the premium necessary, and that in general the better risks morally and physically would

be found among those who had been able to maintain their financial status and their insurance in spite of the depression.

Whichever of these two views is actually the case, it seems reasonable to suppose that the selection against the company will be increased to the extent that a non-medical rewriting plan makes it easier for the policyholder with a heavy loan to carry the net amount at risk which his insurance represents. Such a plan makes it easier for impaired lives to persist when otherwise some of them would be forced, by financial stringency, to drop their insurance.

Naturally, a company desires to give its policyholders every chance to keep up their insurance, but it is a question how far leniency should go if it increases the general mortality to the disadvantage of policyholders in general. Where excessive mortality on rewritten lives occurs soon after rewriting there is an added loss if the plan includes a commission to the agent who wrote the case.

Several Factors Offset Unfavorable Mortality.

Besides the convenience to the policyholder, there are other considerations tending to offset the unfavorable mortality effect, the principal one being the opportunity offered to a company's agent to write additional business when times are bad, also the fact that the business is retained rather than being lost to a competing company.

Anderson and Patterson in Portland on Coast Journey

PORTLAND, ORE., April 5.—C. Vivian Anderson of Cincinnati, president, and A. E. Patterson of Chicago, third vice-president of the National Association of Life Underwriters, arrived here this afternoon from San Francisco and Oakland on their Pacific Coast journey.

will soon be against the upward bulge in these figures which was experienced last summer. Such an apparent downward trend, if it occurs, must be considered with this fact in mind.

Utility output is up, but rate decreases have been forced and the NRA provisions as to shorter hours and higher pay work against the earnings in this field, as well as outbursts of agitation for municipal power plants built with Civil Works Administration funds.

Farm mortgage interest collections are much better than for the same period last year. One prominent company with a large amount of farm mortgages reports that the amount of interest paid in January and February exceeded the amount due in those months, because of mortgagors paying up part of their delinquencies as well as keeping up current interest payments.

ney. Tomorrow they arrive in Seattle and will spend the week end there. On April 9 they will be in Spokane, April 10, Helena, Mont.; April 11, Fargo; April 12, Minneapolis, and April 13, Milwaukee.

BIG TURNOUT IN LINCOLN

LINCOLN, NEB., April 5.—More than 150 Lincoln agents attended a special meeting of the local life underwriters' association to hear Mr. Anderson and Mr. Patterson, who stopped off to give sales talks at Omaha and Lincoln. Mr. Patterson outlined a number of sales methods his agency had found successful. He said with the public better informed than ever as to life insurance, a greater responsibility rests upon agents to learn more about it. He advocated more salesmanship and less contacting.

President Anderson stressed the importance of agents informing themselves on the laws of descent in their home states, and illustrated by incidents from his own experience to show how ability to advise policyholders as to their estate, apart from life insurance, had enabled him to sell increased insurance to balance desires for distribution of property after death. Introduced as a million dollar producer, he declared that it is the man and not the place that determines volume of production, and that he writes all sizes of policies.

Annuity Trends Watched Closely

Assistant Actuary J. T. Phillips of New York Life Makes Observations

PRESENTS SOME FIGURES

Growth of This Business Is Not Entirely Due to Conditions of the Depression

NEW YORK, April 5.—Improved conditions in other fields of investment will probably sharply lessen the demand for immediate single premium annuities, consequently life men who wish to spread out into the annuity field will do better to devote their efforts in this direction to the sale of annual premium retirement contracts and life insurance policies with annuity options, J. T. Phillips, assistant actuary, New York Life, told members of the New York C. L. U. chapter at the April meeting.

While the 1933 volume in first year premiums for single premium annuities was enormous, in some cases being as large as that of companies' first year life premiums, yet for a group of the leading companies the total number of this type of contract sold last year was less than 5 percent of the number of life policies, Mr. Phillips pointed out.

For this same group of companies the ratio of first-year annuity premiums to first-year life insurance premiums increased from 4 percent in 1920 to 19 percent in 1929, he said, indicating that the large increase in the sale of annuities is far from being solely a product of the depression. He predicted that although the present excessive popularity of the single-premium type would wane as business conditions improved, the American public would continue to grow more annuity-minded.

Mr. Phillips deplored the practice of trying to sell annuities to persons unable to pass a medical examination for life insurance, unless the contract has a cash or refund feature. He also discouraged the idea of selling annuities as a temporary resting place for corporations' funds, as being contrary to the purpose of annuities and tending to put life companies in the banking business. He suggested that greater uniformity in the titles of the retirement annuity type of contract would help the agents. There are at least 25 different titles, all designating substantially the same type of contract, he said.

Freeman Essex, a Portland (Ore.) C. L. U., spoke briefly on the advantage of working jointly with other agents, getting the other underwriter to sell his prospects the opportunity of talking with "an authority on the arrangement and distribution of estates." Mr. Essex found this system has worked very well. During the last year he did about \$1,500,000 of new business.

Companies' Ranking Shown

Insurance in Force Now \$103,219,119,878—Decreases 4.7 Percent—Metropolitan Life, Prudential and New York Life Lead the 16 Companies in Billion Class

Life insurance in force of companies operating in the United States totaled \$103,219,119,878 on Jan. 1, 1934, according to actual adding machine total of legal reserve company reports compiled by the Unique Manual Digest, which will soon be off the press. This is a decrease of \$5,071,637,936 or 4.7 percent from the 1933 total of \$108,290,757,814.

There are 16 companies in the billion dollar insurance in force class, the same number as the previous year. The Metropolitan Life again leads the field with \$18,802,984,818 in force, a slight decrease. The Prudential is again second with \$15,029,950,800, followed by the New York Life and the Travelers. There are few changes in ranking among the leaders, the John Hancock Mutual Life going ahead of the Aetna Life into eighth place. The Missouri State Life which was in 16th place last year is out and the General American, which reinsured it, is in 21st place. The Lincoln National Life advanced from 22nd to 19th place. Reports for 287 companies follow compared to 292 a year ago:

Rank 1934	Rank 1933	Company	Insurance in Force
1	1	Metropolitan	\$18,802,984,818
		Industrial	6,424,469,056
		Group	2,442,279,346
2	2	Prudential	15,029,950,800
		Industrial	6,803,460,156
		Group	1,013,577,631
3	3	New York Life	6,869,268,269
4	4	Equitable, N. Y.	6,196,495,744
		Group	1,295,837,612
5	5	Travelers	4,148,918,298
		Group	1,343,152,864
6	6	Mutual, N. Y.	3,903,658,890
7	7	Northw. Mut.	3,813,844,834
8	8	John Hancock	3,411,708,382
		Industrial	1,331,137,661
		Group	250,785,227
9	8	Aetna Life	3,322,390,652
		Group	1,383,628,985
10	10	Sun, Canada	2,754,799,994
		Group	323,912,791
11	11	Mutual Benefit	2,165,831,398
12	12	Mass. Mut.	1,952,038,564
13	13	Penn Mutual	1,897,343,490
14	14	Union Central	1,260,043,014
15	15	New Eng. Mut.	1,249,613,685
16	16	Conn. General	1,009,649,775
		Group	230,864,127
17	17	Provident Mut.	954,411,343
18	19	Conn. Mutual	903,879,081
19	22	Lincoln Natl.	887,207,561
		Group	45,743,355
20	20	Canada Life	851,091,534
		Group	85,010,151
21	..	General Amer.	816,080,960
		Group	283,999,719
22	21	Bankers, Iowa	770,031,084
23	23	Pacific Mutual	654,584,643
24	24	West. & South.	648,363,239
		Industrial	420,790,132
25	25	State Mutual	598,661,131
26	26	Phoenix Mutual	582,991,395
27	27	Equitable, Iowa	569,465,206
28	28	Great-West	552,294,135
		Group	19,504,015
29	29	Natl. Life, Vt.	536,546,690
30	..	Mutual, Canada	518,521,336
		Group	7,767,846
31	30	Manufacturers	504,680,804
		Group	6,504,583
32	32	Am. Natl., Tex.	486,962,452
		Industrial	330,267,491
		Group	26,623,100
33	31	Guardian, N. Y.	460,381,632
		Industrial	58,626
		Group	1,018,000
34	33	Reliance, Pa.	401,458,466
35	35	Kansas City	380,117,837
36	37	Life Ins. Co. of Va.	377,283,939
		Industrial	228,255,241
37	34	Fidelity Mut.	374,833,872
38	36	Home, N. Y.	358,552,676
39	38	Northw. Natl.	357,062,108
		Group	70,944,458
40	39	Acacia Mutual	347,863,331
41	41	Natl. L. & Ac.	340,391,309
		Industrial	223,262,371
		Group	5,510,000
42	40	Jefferson Stand.	308,810,832
		Group	216,200
43	42	Southw. Texas	258,265,210

Rank 1934	Rank 1933	Company	Insurance in Force
44	43	Great Southern	25,047,128
		Group	230,977,658
45	54	Gen. Assur., Ia.	228,017,449
46	44	State Life, Ind.	218,074,564
47	47	Berkshire	213,179,266
48	48	Minnesota Mut.	196,201,052
		Group	28,678,375
49	86	Ohio National	187,683,025
		Industrial	43,874
		Group	455,000
50	52	No. Am., Can.	183,337,211
		Group	2,392,620
51	49	Franklin	175,008,620
		Group	4,443,603
52	58	Occidental, Cal.	172,168,659
		Group	24,779,500
53	50	Amer. Central	166,425,842
54	53	Columbian Natl.	166,298,372
		Industrial	52,647
		Group	257,585
55	59	Continental As.	164,688,314
		Group	44,483,478
56	60	Mutual, Md.	164,307,701
		Industrial	129,788,501
57	63	Life & Cas., Tenn.	158,913,658
		Industrial	111,266,321
		Group	3,532,000
58	57	Mutual Trust	158,346,581
59	56	Pan-American	158,037,111
		Group	6,848,700
60	55	No. Am. Reassur.	151,462,700
61	64	Crown Life	138,821,915
		Group	502,390
62	62	Atlantic	137,445,165
		Group	286,750
63	69	Shenandoah	134,003,674
		Group	82,767,025
64	66	Bankers, Neb.	127,403,385
65	67	Columbus Mut.	124,876,311
66	65	Guarantee Mut.	121,941,601
67	68	Southland, Tex.	119,706,644
68	75	Commonwealth	115,048,145
		Industrial	53,201,543
		Group	3,305,823
69	72	West-Coast	114,576,777
		Group	7,228,839
70	70	Yeomen Mutual	110,456,872
71	71	Volunteer State	108,751,557
		Group	124,236
72	74	Colonial, N. J.	108,114,894
		Industrial	83,376,229
		Group	3,439,976
73	79	Contl. Amer.	105,677,319
		Group	74,800
74	78	United Mutual	103,935,288
75	77	Midland Mut.	100,686,562
76	80	Central States	100,483,235
		Group	1,585,411
77	83	Home, Pa.	99,033,004
		Industrial	50,508,605
78	84	Sun, Md.	98,537,018
		Industrial	71,913,445
79	87	Pilot, N. C.	97,034,274
		Industrial	23,261,506
80	76	Federal Life	95,520,430
		Industrial	14,786
		Group	513,500
81	88	Bus. Men's As.	94,433,476
		Group	11,726,247
82	81	Security Mut.	93,154,724
		N. Y.	93,125,124
83	85	Indianapolis L.	90,563,240
84	89	Northern, Wash.	14,386,975
		Group	86,281,187
85	96	Baltimore Life	84,179,342
		Industrial	79,292,703
86	97	Ohio State	79,292,703
		Group	493,000
87	93	Old Line, Wis.	77,039,562
88	94	Manhattan Life	76,125,602
		Industrial	181,800
89	95	American, Mich.	73,272,702
90	98	Ill. Bankers	72,006,115
91	90	Central, Ill.	69,987,607
		Group	48,000
92	103	Amicable, Tex.	68,398,636
		Group	693,800
93	99	Abrah. Lincoln	68,070,322
		Group	18,500
94	105	Boston Mutual	67,807,984
		Industrial	46,301,734
95	101	Union Mut., Me.	65,053,388
96	108	Reserve Loan	63,966,787
97	111	Equitable, D. C.	63,715,340
		Industrial	41,872,840
98	100	North Am., Ill.	63,119,400
		Group	3,706,000
99	91	Kentucky Home	61,254,966
		Group	2,777,848
100	106	National, Iowa	60,712,001
101	..	Capitol, Colo.	60,334,310
		Group	11,964,775

Rank 1934	Rank 1933	Company	Insurance in Force
102	..	Bankers Natl.	60,189,930
		Industrial	20,489,155
		Group	3,977,100
103	..	Protective, Ala.	59,982,344
		Group	14,279,700
104	..	Presbyterian	59,546,583
		Ministers	59,533,531
105	..	Lamar	58,704,843
106	..	Un. Cooperative	54,025,959
		Group	58,275,610
107	..	Peoples, D. C.	50,610,972
		Industrial	58,156,987
108	..	Provident L. & A., Tenn.	34,558,850
		Group	58,057,699
109	..	Phila. Life	192,750
		Group	56,416,996
110	..	Eureka-Maryland Assur.	22,618,866
		Industrial	2,124,750
		Group	56,150,747
111	..	Tex. Prudential	18,140,361
		Industrial	23,965,000
		Group	54,446,038
112	..	United Benefit	54,065,807
113	..	Country	52,884,868
114	..	Beneficial	433,500
		Group	51,901,281
115	..	Oregon Mutual	51,546,301
116	..	Union Labor	44,567,700
		Group	51,047,089
117	..	Farm. & Bank	50,398,064
118	..	Knights Life	33,647,196
		Industrial	49,544,968
119	..	Postal, N. Y.	5,369
		Industrial	733,986
		Group	47,590,089
120	..	Teachers Ins. & Ann.	45,829,161
121	..	Int'l State L. & A.	39,490,372
		Industrial	11,000
122	..	Peoples, Ind.	45,661,565
		Group	898,073
123	..	Fed. Reserve	44,154,537
124	..	Guaranty, Iowa	43,689,274
		Group	39,750
125	..	Contl. D. C.	43,081,397
		Industrial	36,803,859
126	..	Natl. Guardian	42,968,758
127	..	Montana	41,788,445
128	..	United L. & A.	41,347,704
		Group	63,000
129	..	Southeastern	40,272,042
		Group	10,166,464
130	..	New World	40,141,439
131	..	Gulf, Fla.	40,053,225
		Industrial	24,243,158
		Group	2,445,200
132	..	Durham	37,741,746
		Industrial	32,879,790
133	..	Gulf States Sec.	37,285,625
		Group	3,750,679
134	..	Liberty Natl.	37,101,295
		Industrial	15,063,732
135	..	Wisconsin Natl.	36,688,227
		Industrial	7,326
136	..	Scranton	36,371,161
137	..	Midland, Mo.	35,322,161
138	..	Federal Union	34,845,285
		Industrial	5,593,472
		Group	9,539,300
139	..	Natl. Fidelity	34,779,266
		Group	669,000
140	..	North Car. Mut.	34,297,211
		Industrial	21,785,179
		Group	569,600
141	..	Farm. & Trad.	33,317,240
142	..	Wash'ton Natl.	32,858,545
		Industrial	27,218,449
		Group	48,400
143	..	Colorado Life	32,207,664
144	..	Columbian Mut.	31,958,032
145	..	Girard	31,879,036
146	..	Great Northern	31,295,561
		Industrial	696,167
		Group	24,600
147	..	Conser., W. Va.	29,715,446
148	..	Amer. Bankers	29,394,579
		Industrial	10,472,413
149	..	Mid-Continent	29,241,933
150	..	Unit. Fid., Tex.	28,908,984
151	..	Columbia Life	28,808,886
152	..	Michigan	28,153,962
		Group	466,400
153	..	Service	28,030,750
154	..	U. S. Life	27,146,576
		Group	1,397,535
155	..	Register, Iowa	26,972,233
156	..	Massa. Protec.	26,809,514
157	..	Secur. Mu., Neb.	26,764,082
158	..	Occidental, N. C.	26,514,451
159	..	Globe, Ill.	26,506,687
		Industrial	7,467,993
160	..	Bank Savings	26,417,370
161	..	La Fayette	25,160,858
162	..	Great Republic	24,626,756
		Group	445,993
163	..	Lincoln Liberty	24,002,975
164	..	Texas Life	23,721,577
165	..	Conserv., Ind.	23,302,996
166	..	Wisconsin Life	23,148,293
167	..	Atlas	23,024,661
		Group	75,174
168	..	Carolina	23,018,013
		Industrial	20,940,449
169	..	Supreme Lib.	23,011,341
		Industrial	12,389,154
		Group	198,200

Totals by Classes Given in Unique-Manual Digest

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Moral Hazard Big Rejection Factor

L. W. Morgan Gives Reasons for Companies' "Hard Boiled" Attitude

IS ECONOMIC NECESSITY

Illuminating Figures Supporting Home Office Attitude Given at Pacific Mutual Conference

One of the chief causes of agents' complaints of hard-boiled home office underwriting policies is rejections due to moral hazard, Vice-president L. W. Morgan of the Pacific Mutual, in charge of the issue and underwriting departments, stated in a regional conference in Chicago, one of a series of ten just concluded. Many agents fail to realize that such rejections are made necessary by present economic conditions. The increase in number of cases declined is largely due to information secured on inspections, he said.

This adverse information falls generally in three classes: (1) Drinking habits; (2) financial condition; (3) morals. The agents generally are loath to accept a declination on moral grounds.

Reviews New York Survey

Mr. Morgan reviewed a study made by a large New York company of 910 cases declined for moral reasons in the years 1918-22. These cases were followed up and subsequent history ascertained. The company could not locate 154 of the individuals. It was found 327 apparently were in good health, but Mr. Morgan said undoubtedly medical examination would disclose a substantial number badly impaired. Fourteen were in poor health, 55 were dead. Of the latter group three committed suicide and four died as a result of homicide. Mortality of the 756 individuals located was 190 percent of expected. It was found four were in jail, nine in prison, seven were under indictment and out on bail, five were fugitives from justice.

Mr. Morgan commented on the fact that the Pacific Mutual last year re-issued 7,760 policies, whereas only some 17,000 new policies were issued. Of the 7,760 policies, 3,273 were new contracts. He said many of these risks reissued were due to insurance not being properly written in the first place, overinsurance, etc.

Figures on Underwriting

He said the Pacific Mutual staggers work in the underwriting department so cases are prepared by clerks ready to review when lay underwriters arrive at the office. Many policies are issued the day when applications are received. The company reviewed the handling of 500 cases, finding that 319 were issued in two days or under, 113 in four to seven days and 68 after seven days. Of the delays, 41 were due to medical reasons, in many of these cases statements being required from physicians; 24 were delayed by inspections.

The company issued \$18,000,000 of additional last year, of which only \$3,000,000 was paid for. There were 3,000 of these policies and since policy issuance cost is estimated to be \$2 each, he said the company paid \$6,000 in addition to commissions to get \$3,000,000 of business.

There were many cases of suicide last year, as in the immediate few preceding years. He said one-sixth of death losses in 1930 was due to suicide, but the rate is going down.

There is much juvenile insurance be-

(CONTINUED ON PAGE 22)

Penn Mutual Life Limits Acceptance from Brokers

NEW RULES PROMULGATED

Will Take Business Only From Those Giving All Their Life Applications to Penn Mutual

For some time the Penn Mutual Life has been focusing its risk acceptance policy chiefly on applications submitted by its own agents. The judgment of the underwriting department is that Penn Mutual service to policyholders will necessarily be at its best when they are served by the company's own representatives, who are intimate with Penn Mutual policy plans and have been trained in Penn Mutual routine service of policyholders and beneficiaries.

In furtherance of this attitude Vice-president Frank H. Davis has announced that hereafter the only applications that will be considered from others than its own agents will be for surplus lines in which the original company has accepted its full limit, and from brokers who, having Penn Mutual experience, give all of their life insurance applications to the company.

Lincoln National's Gains

In 21 of the 31 states in which the Lincoln National Life operates increases were shown in February ranging from 18 to 2200 percent. States with notable increases included Indiana, Illinois, Wisconsin, Iowa, Missouri, South Dakota, Nebraska, Maryland, North Carolina, Arkansas, Louisiana, Oklahoma, Washington, Oregon. February business in Chicago, Cleveland, Los Angeles, Philadelphia, and St. Louis, as well as a number of smaller cities, showed increases ranging from 24 to 261 percent.

Mixes Own Salad

The Madison, Wis., "Capital-Times" in a recent article finds that President

George A. Boissard of the National Guardian Life of that city always mixes the salad for the Boissard dinner parties which are always bright, social events. The claim is made that President Boissard possesses peculiar deftness in concocting a delectable salad.



G. A. BOISSARD

The Madison "Capital-Times" says that he takes much pride in having the ingredients about him, putting in a bit of this and a dash of that. He adds a whiff of garlic and a dash of paprika. He then gives a shake of the vinegar cruet, pours over a coating of olive oil, dishes up an appetizing dressing and sprinkles on some exotic condiments. It is also stated that President Boissard is an artist de luxe in grilling chickens over an open fire.

Connecticut Mutual Staff Men Address 64 Agencies

Addresses over a nation wide telephone hookup were delivered Monday by two executives of the Connecticut Mutual Life and amplified by loudspeakers in 64 agency meetings. The two officials who spoke were Vice-president Peter M. Fraser and Superintendent of Agencies V. B. Coffin. This program opened the spring sales promotion program conducted from April 2 to May 11.

THE FATEFUL FIVE

The advertising man tries to put into the caption of his printed sales talk three or four gripping or curiosity-exciting words to draw the reader into the textmatter. The life underwriter's task is similar. A call seldom turns into an interview unless the prospect is interested at the outset. In most cases, after a self-introduction, a strong opening phrase, —in the form of a yes or no question, or a request for a brief time to describe a striking plan, or a suggestion that the prospect's existing insurance should be analyzed and tabulated, to make sure that it will serve specific purposes,—is by far the best approach.

The finest organized sales talk ever devised can get nowhere unless through an organized approach the opportunity is given for its unfolding. The first five minutes are fateful. So say the experienced, the wise, the successful.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, Presidents

Independence Square

Philadelphia

J. E. Hall Retires As General Agent

Famous Penn Mutual Operator Is Succeeded by Osborne Bethea

WILL BE A CONSULTANT

Announcement Is Made Also of Resignation of John T. Haviland of Haviland-Gibbs Agency

J. Elliott Hall, head of the great New York J. Elliott Hall agency of the Penn Mutual Life, has resigned the management of the agency in order that his usefulness both to his company and to the agency may be expanded. This action is the final step in a plan which Mr. Hall formulated years ago, the completion of which was foreshadowed some time ago when he created a staff of assistant executives in his agency. Osborne Bethea, general agent for the Penn Mutual at Cleveland, is Mr. Hall's successor.

At the same time, the Penn Mutual announces the resignation of John T. Haviland of the Haviland-Gibbs general agency of New York and Newark as of May 14.

His future plans will be announced at a later date. The agency and its two offices will thereafter be under the sole charge of John E. Gibbs.

W. Stanton Hale, who has been associated with Mr. Hall since February, 1932, for some time having been desirous of returning to personal production, has decided to return to the Penn Mutual's Atlanta agency in that capacity. Mr. Hale resided in that city for many years. For five years following September, 1923, he was a most successful Penn Mutual personal producer. This was followed by four years in the agency as supervisor and general agent, the arrangement terminating when he became associated with Mr. Hall.

President Law's Statement

"J. Elliott Hall, throughout his 13 years of general agency association with the Penn Mutual," President W. A. Law stated, "has frequently contributed ideas and plans as well as helpful personal service, all of which is the subject of our grateful appreciation. These contributions have been quite varied in character but extremely practical and useful. We are, therefore, most happy that under this new arrangement we shall continue to enjoy Mr. Hall's active and highly intelligent cooperation in broadening further the scope of Penn Mutual service."

Mr. Hall is 50 years of age, is in robust health, and financially independent. He has always contended that the man who reaches age fifty and is able to retire with comfort should do so rather than to continue just for the sake of making money that he cannot profitably use or enjoyably spend and thus keep some younger man from an opportunity. So practicing what he has preached Mr. Hall hereafter will divide his energies between the further development of his Guernsey herd on his farm at Morris-town, N. J., and the expanded service of his company.

To Help Other Agents

Mr. Hall's new service will include: Personal production through continued membership in the agency, joint work in assisting other agents to close difficult business, and adviser to his successor when and if desired.

The home office will draft Mr. Hall (CONTINUED ON PAGE 21)

89-Year Record of Protection to Policyholders

Since it started business in 1845, this Company has paid to policyholders and beneficiaries over \$3,910,000,000. Over one billion dollars of this amount was in dividends.

The stability of this strong mutual company has been particularly demonstrated during the past four years of business depression. In every one of these years, income has exceeded disbursements.

Throughout all the years—during every panic, every war and every epidemic down to the present hour—the New York Life Insurance Company has met every obligation to its policyholders and beneficiaries; it is amply prepared to continue to do so throughout the life of every one of its insurance and annuity contracts.



HOME OFFICE BUILDING

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE
NEW YORK, N. Y.

Nebraska Attorney-General Explains Annuity Tax Rule

OPINION TO STATE DIRECTOR

Would Arrive at Actual Value by Capitalizing Future Payments, Using Current Discount Rate

Following a request of Insurance Director Herdman of Nebraska for clarification of a recent ruling that annuities are taxable in Nebraska, Attorney-General Good has issued an extended opinion. He states that an accepted definition of an annuity is "a yearly payment of a certain sum of money granted by another in fee, for life or for years, and chargeable only on the person of the grantor. For the existence of an annuity a person or a corporation must be charged with the periodic payment of a specified sum for the life of the annuitant or for a term of years." He adds:

Attorney-General's View

"In order that a contract with an insurance company may constitute an annuity, the company must be presently chargeable with the periodic payments, the commencement of which, however, may be deferred. Thus, if a single payment purchases an annuity contract, the company is presently chargeable with the annuity payments though the time of payment may be deferred. If, however, the annuity is to be purchased with a number of so-called premium payments, the annuity does not exist until the contract is fully paid up.

"In the case of a so-called endowment policy, or in any life policy where the benefits payable to the insured or his beneficiary may at the option of the insured or beneficiary be paid as an annuity, then the annuity contract does not exist until the option is exercised."

The attorney-general says the actual value of each annuity, for purposes of taxation, should be determined by capitalizing the future payments, from the expectancy table if for life, at their present worth, including absorption of the principal, if such be the case.

The discount rate should be the one prevailing rather than any rate fixed in the contract, since this will more truly represent the actual value. Where any doubt exists he suggests using the 7

Two States Only Left with the Old Moratorium Rule

Insurance Commissioner Clark of Iowa as of March 24 issued an order which was approved by the governor March 27 revoking all restrictions on withdrawal of funds from life companies that had been in vogue since the moratorium. This leaves only Michigan and Illinois that have not revoked their moratorium orders. Commissioner Gauss of Michigan, however, realizes that the companies writing business in the state should extend the same privileges to Michigan policyholders that they do to policyholders in states where the moratorium has been lifted. Therefore companies practically are free to make loans and grant surrenders there as if no restrictions existed.

Insurance Director Palmer of Illinois states that while the regulations are still in effect they are, as a matter of fact, so liberal that it is only in exceptional cases that they are of any material importance. The demand for cash surrenders and loans has apparently quieted. Director Palmer gives it as his impression that companies are meeting all demands in practically every case without any difficulty. He may decide to lift the restrictions entirely when he is convinced that the publicity attending such an order would not cause a run on the Illinois companies.

Advocate State Insurance

MINNEAPOLIS, April 5.—The state of Minnesota would control and operate all forms of insurance under the program advanced in the farmer-labor platform adopted at its annual convention. The party is headed by Governor Floyd Olson.

Form Houston Association

The Houston General Agents & Managers Association has been formed. A code of ethics has been adopted along with the constitution and by-laws. There are 22 charter members.

percent legal rate in Nebraska, which would work to the advantage of the taxpayer because it is always larger than the contract rate.

Penn Mutual in Big N. Y. Change



OSBORNE BETHEA



J. ELLIOTT HALL

Announcement is made this week of the resignation of J. Elliott Hall as general agent for the Penn Mutual Life in New York City. Mr. Hall is one of the great agency operators of the country. He will continue to be of service to the Penn Mutual as a consultant in the home office and in the field. His successor as general agent is Osborne Bethea, who is now general agent for the Penn Mutual in Cleveland.

Provident Mutual Dividend Forecasts

The Provident Mutual Life home office recently made a survey of the various dividend scales which have been in use since its foundation in 1865. The first of these, adopted in 1869, was made retroactive as to dividends falling due in the preceding years. Including this first dividend scale there have been 14 scales in use where it is possible to compare for a period of 10 years actually experienced net cost with what the net cost would have been had the dividend scale in use at the beginning of the ten-year period been maintained throughout the period.

Net Cost for Ten Years

In order to compare forecasts and actual performances attention is focused upon the actual net cost for 10 years on ordinary life and 20-year endowment policies issued at age 35. On the one

hand there is the 10 year net cost on each scale as it would have been had the scale remained unchanged for 10 years. On the other hand there is the actual net cost experienced over the 10-year period on policies issued at the time the new scales were adopted.

Results of the Forecast

Taking first the ordinary life policy it is found that in nine cases the actual net cost was lower than the forecast; in five cases it was higher. The five scales, where the net cost actually experienced was higher than the forecast based upon them were those adopted in 1869, 1873, 1890, 1910 and 1915. The forecast that worked out most unfavorably was that of 1873 adopted just before the great depression of the '70s. The difference between the actual net cost and the forecast was less than 3

percent of the latter. Taking all 14 scales, the average of the actual net cost was 2.7 percent lower than the forecasts.

For the 20-year endowments, 10 of the 14 experiences resulted in net costs lower than the forecasts. Four of the forecasts were proved to be too low as compared with the actual experience of net cost. These were in connection with the scales adopted in 1873, 1884, 1890 and 1910. Of these the greatest variation was again in the scale of 1873, the difference amounting to 3.4 percent of the forecast. For the 14 scales the average actual net cost was 1.4 percent below the average of the 14 forecasts.

It is interesting that the greatest variation in each instance was in connection with the 1873 scale. This scale employed an interest factor of 6½ percent reflecting what had been the experience of the boom years following the Civil War and immediately preceding the great depression of the '70s.

The Provident Mutual has had alto-

gether 16 net cost schedules preceding the one adopted for 1934 (including two adopted less than 10 years ago which do not permit a comparison with actual net costs throughout a 10 year period). These 16 schedules covered a period of 65 years, so that, on the average, each schedule remained in effect for an average of 4.1 years.

New Proposal Forms

More simplified and attractive proposal forms are now being prepared by the field service department of the Lincoln National Life. They are printed in different colors for each policy form on a four-page folder of heavy antique paper. The cover page is personalized with the prospect's name, and the two inside pages lead the prospect through the briefest possible complete description of the plan he is considering. Spaces are left for necessary premium rate quotations and the prospect's age.

Every Week Is Financial Independence Week

THE nationwide campaign during Financial Independence Week implanted in many minds the life insurance idea, made many prospects entertain more seriously the idea of using life insurance as a means of achieving the universal desire for financial independence.

Only to the extent, however, that the individual life underwriter drives home its principles in his daily contacts, can such a campaign become useful or productive. To the really alert life underwriter every week is Financial Independence Week. Don't cross it off your calendar!

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

Announce Tentative Program for A. L. C. Medical Section

AT HOT SPRINGS JUNE 14-16

Dr. Cragin Outlines Arrangements—

Dr. Neal to Preside—Drs. Shook, Hall, Voss Among Speakers

Dr. Donald B. Cragin, medical director of the Aetna Life has announced the preliminary plans for the annual meeting of the Medical Section of the American Life Convention, for which he is program chairman. Dr. John R. Neal, Abraham Lincoln Life, is chairman of the section and will preside. The meeting will be at the Homestead, Hot Springs, Va., June 14-16.

Degenerative diseases are claiming a heavier toll and the program will cover some of the major problems in that field.

Paper by Dr. Willius

According to the tentative program, the chairman's address will be followed by a paper, "Electrocardiography as a Diagnostic Adjunct in the Angina Syndrome," by Dr. F. A. Willius, associate

professor of medicine, University of Minnesota and head of the cardiac department, Mayo Clinic, the address to be illustrated by lantern slides.

There will then be discussion by two medical men to be followed by a general discussion.

A paper, "Syphilis and Life Insurance," will then be presented by Dr. A. F. Hall, Jr., assistant director, life conservation division, Lincoln National Life.

Scheduled for the June 15 session is a symposium, "The Disability Clause in Life Insurance as We See It in 1934."

How Subject Is Treated

This will be treated from the point of view of the underwriter, the agency, the inspector, the three speakers on those phases to be announced; the medical by Dr. Irving Spear of Baltimore; the claim adjuster by W. I. Morrow, assistant secretary Aetna Life.

There will then be general discussion, and greetings will be brought from the president of the American Life Convention, president Life Insurance Medical Directors, and National Association of Life Underwriters.

At the June 16 session there will be a paper "Mortality in Diabetics from the Clinico-Pathological Standpoint" by Dr. R. C. Voss, assistant medical

director Pan-American Life, and Dr. Aldea Maher, director Pan-American laboratory and assistant pathologist at the Hotel Dieu.

This will be followed by prepared discussion and then there will be general discussion.

Next will come a paper "Hypertension with Special Attention to Diastolic Pressures" by Dr. H. H. Shook, medical director Ohio National Life. Prepared and general discussion will follow.

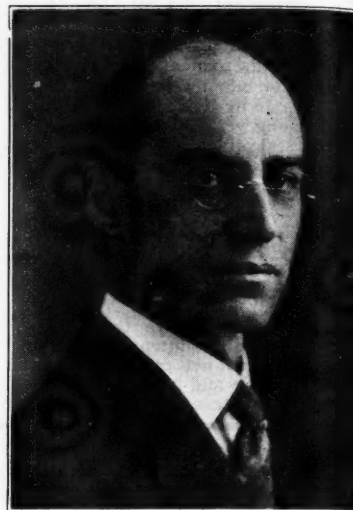
In addition to the business program the management of the hotel is co-operating to make the meeting pleasant for the medical men and their ladies. Exceptionally low rates have been offered.

Gauss to Speak in Detroit

Commissioner C. E. Gauss of Michigan will be the guest of honor at the annual meeting of the Associated Life General Agents & Managers of Detroit April 5 and will speak on "Agents' Licensing Problems and Rulings." Vice-president H. E. Vandewalker, Ohio State Life, will preside in the absence of President R. T. Smith.

New directors will be elected at this meeting and the new board, meeting shortly afterwards, will select officers for 1934.

25th Anniversary



JAMES LEE LOOMIS
President Connecticut Mutual Life

March 31 marked completion of 25 years' service with the Connecticut Mutual Life by President James Lee Loomis, who started in 1909 as assistant secretary. He was elected vice-president in 1918, and several months later became a director. When President H. S. Robinson died in 1926, Mr. Loomis ascended to the presidency.

During Mr. Loomis' years at the helm the Connecticut Mutual's assets have increased from \$141,414,891 to \$226,064,961, and insurance in force from \$673,851,781 to \$903,879,081.

Mr. Loomis has been actively engaged in the Association of Life Insurance Presidents, and in 1930 was chairman of the annual gathering. He is a director of many Connecticut institutions, among which are the Phoenix Fire, Hartford County Mutual Fire, National Bank of Hartford, Simsbury Bank & Trust Company, and the Hartford "Courant." He is active in educational circles, being vice-president and trustee of Loomis Institute at Windsor.

Mr. Loomis is a native New Englander, having lived in Granby all his life. He is a graduate of Yale and the Yale Law School. Before going with the Connecticut Mutual, he was engaged in the practice of law in Hartford, having been admitted to the Connecticut bar in 1905.

Guarantee Mutual Life's Organization in Michigan

The Guarantee Mutual Life of Omaha expects to have an up to date and extensive organization in Michigan now that Anger & Ehlen in the Michigan Theater building, Detroit, have been appointed state managers. Roy W. Anger was formerly manager of the National Life, U. S. A., in Detroit and at one time was vice-president of the American Life of Detroit, later becoming general agent of the Michigan Mutual Life, which was reinsured by the National Life, U. S. A. Mr. Ehlen was formerly agency manager for the Buffalo Life and is well known in the business. The two men will make a strong team.

Talk to Los Angeles Managers

At the luncheon-meeting of the Life Managers Club of Los Angeles, J. H. Cowles, general agent of Provident Mutual Life, continued his talk given at a previous meeting on "The first 90 days of a new man's training period." John W. Yates, general agent Massachusetts Mutual Life, spoke on "Love Your Business," in which he emphasized the fact that love of work creates an avalanche of power that overcomes almost any difficulty or handicap.

The Past Four Years of 87 Years' Successful Operation

Greater Payments

to Policyholders and Beneficiaries \$106 Million

Greater Receipts

Income from all Sources Totalled \$200 Million

Greater Assets

an Increase of over \$53 Million—Total now \$226 Million

For United States Policyholders

The Canada Life has on deposit in the United States, for the benefit of its United States policyholders, deposits in excess of the reserves required to cover all liabilities, invested in well selected and widely diversified securities as follows:

Diversification—United States Assets

Cash, Government, Government Guaranteed and Municipal Bonds	29.85
Electric Light & Power Companies' Bonds	27.08
Telephone Companies' Bonds	5.22
Other Utility Companies' (Gas & Water) Bonds89
Railway Bonds	1.99
Other Corporation Bonds	1.43
Preferred Stocks	8.41
Real Estate20
Loans on Real Estate	9.62
Loans to Policyholders	15.31

As at Dec. 31, 1933 100.00%

Established
in
1847

Canada Life
Assurance Company

45 Years
in the
United States

O'Malley Explains Action in His Suit for Receivership

TRIED TO SOLVE SITUATION

Missouri Superintendent Said He Believed Continental Life of St. Louis Solvent in December

ST. LOUIS, April 5.—The cross-examination of Superintendent R. E. O'Malley of Missouri in his suit to dissolve the Continental Life of St. Louis for alleged insolvency and gross mismanagement began this week before Circuit Judge Ryan. It marked the 48th day of testimony in the suit.

Mr. O'Malley told of his efforts to work out a peaceful settlement of the situation with President Ed Mays so as to avoid the necessity for bringing the receivership action. He stated that as late as Dec. 14 he believed the company was solvent because of representations made to him by Mr. Mays and C. G. Revelle, then vice-president and general counsel.

He identified letters he sent during December to the insurance commissioners of several states assuring them that the interests of the Continental Life were being protected and stated that at the time he wrote those letters he did not believe that the company's reserves were impaired.

Expected Adequate Loan

He stated that figures supplied to him by a national bank examiner led him to believe that the Grand National Bank would be able to obtain an adequate loan from the Reconstruction Finance Corporation, to enable it to reopen on Jan. 1. He added that he was "shocked" to learn later that the RFC would lend only \$80,000 on so-called "slow assets" of the bank totaling \$625,000. The Continental Life has \$678,000 on deposit in the Grand National Bank. Mr. O'Malley expressed the opinion that the bank will not pay out more than 50 percent on its unsecured claims. Mr. Mays, who is also president of the bank, has contended both the Grand National Bank and the Wellston Trust Company of Wellston, Mo., will both pay out 100 percent and that the life company will not lose a cent of its deposits in the banks.

Claims Suggestions Were Ignored

Mr. O'Malley said that soon after he took charge of the department he became convinced through a study of the company's financial statements and transactions that it had ignored the recommendations and suggestions of the insurance commissioners, particularly a resolution that called for the termination of the interlocking affairs of the Continental Life with other financial concerns in which Mr. Mays was the dominant personality. He decided to compel Mr. Mays to resign from the presidency. This request was vigorously opposed by Mr. Mays, and finally Mr. O'Malley agreed to permit Mr. Mays to continue as president at \$7,500 a year plus free rent on his pent house apartment atop the Continental Life building with the proviso that while he would continue to hold the title of president his participation in the affairs of the company would be merely advisory. Mr. Mays rejected this proposal and also ignored an ultimatum from Mr. O'Malley on the morning of Jan. 3 that he step out. It was the rejection of this demand and the dropping of Mr. Revelle from the position of vice-president and general counsel that precipitated the receivership suit.

The superintendent stated that last July he advised the Continental Life's directors that if the Grand National Bank was reopened there should be absolutely no connection between the bank and the life company. Later at a meeting with Mr. Mays and his attorneys in Jefferson City Mr. O'Malley decided

to place a representative of the insurance department in the company's office to receive and segregate all premium collections. Shortly after that he issued the company's 1933 license that had been held up since early in the year, and sent letters and telegrams to commissioners of other states assuring them that the policyholders of the company were fully protected and should continue to pay their premiums. He said he expected the company to comply with the conditions of management he had imposed. One of the conditions was that control of the company should be trusted for a period of years so he could name certain members of the board of directors.

Shipley Elected President

OKLAHOMA CITY, April 5.—R. T. Shipley of the Penn Mutual Life has been elected new president of the Oklahoma General Agents & Managers Club, with A. B. Irwin, Northwestern Mutual, vice-president, and E. E. Dale, Lincoln National, secretary-treasurer. An informal round table discussion was held, under leadership of Homer Jamison, Equitable Life of New York, on "How to Get the Old Agent Back Into Production." The consensus was that it is more important to solidify the old ideas than introduce new methods.

Iowa Commissioner Keeps Office; Unpaid 8 Months

DES MOINES, April 5.—The Iowa supreme court has upheld the decision of the Polk county district court that Commissioner E. W. Clark was rightfully appointed to his office and is entitled to his back salary held up since last summer by the state comptroller on advice of the attorney general. Mr. Clark is now the only major Republican officeholder in Iowa and has been in constant controversy with the Iowa executive council the past year.

It has been eight months since Mr. Clark has had a pay day. He admits he has been living on credit since his last pay check arrived July 31, 1933.

At that time the Iowa attorney general's office held Mr. Clark was disqualified to hold office and held up his pay. Mr. Clark went into court and won the district court decision but the attorney general appealed to the supreme court and his pay is still held up.

Meantime Mr. Clark has found it necessary to take several trips on department business and has had to pay the expenses himself. He estimates that the total involved in pay checks

and expense claims is approximately \$3,000.

Mr. Clark says he has been borrowing on his life policies. "Some of the companies have been having a good deal of fun with me by writing to ask if the loan was a matter of absolute necessity," he says. "I told them that in this case it certainly was."

Under rules promulgated by the commissioner a year ago, it is required that actual necessity be shown by persons desiring policy loans. Mr. Clark has consequently been subjected to his own rules in the matter.

Central Life Conference

With the M. G. Fox agency acting as host, 65 men from five general agencies of the Central Life of Iowa held a regional sales conference at Cedar Rapids, Ia. Representing the home office were Dr. M. I. Olsen, vice-president and medical director; John H. Leaver, vice-president and superintendent of agents, and George Carlin, educational director.

Has Best Month Since 1932

March was the best month in paid for business the St. Paul branch of the Equitable Life of New York has experienced since August, 1932.

"Safer Than Seems Necessary"

Oregon Mutual Life Insurance Company for more than a quarter of a century has been characterized by the policy of being "safer than seemed necessary."

Today its financial structure is proof conclusive of the soundness of its management and the unquestioned strength and security of the institution.

BALANCE SHEET . . . as of December 30, 1933

ASSETS	
Real Estate Owned.....	\$ 283,285.35
Home Office Building.....	175,000.00
Other Property.....	100,436.16
Property sold under contract.....	7,849.19
First Mortgage Loans.....	2,015,355.30
On Farm Property.....	506,159.49
On City Property.....	1,509,195.81
Preferred and Common Stocks.....	None
Bonds (Amortized Basis).....	5,568,477.62
Loans to Policyholders.....	3,534,991.51
Interest Due and Accrued, Rents.....	126,787.51
Net Premiums in Course of Collection.....	299,751.68
Cash on Hand and on Deposit in Banks.....	203,357.53
All Other Admitted Assets (Net).....	20,788.22
NET ADMITTED ASSETS.....	\$12,052,784.72
LIABILITIES	
Policy Reserves.....	\$ 9,864,496.51
Funds Held in Trust for Payment to Beneficiaries.....	424,772.85
Amounts Due for Death Claims—Proofs Incomplete.....	29,537.70
Premiums and Interest Paid in Advance.....	126,585.94
Reserve for Taxes.....	30,000.00
Dividends Left with the Company and Interest Thereon.....	328,572.54
Dividends Payable During 1934.....	280,498.46
Special Reserve for Investments.....	50,000.00
All Other Liabilities.....	23,758.76
Reserve for Contingencies.....	\$200,000.00
Surplus Unallocated.....	690,061.96
Total Surplus to Policyholders.....	890,061.96
TOTAL.....	\$12,052,784.72

OREGON MUTUAL LIFE

"Only Mutual Life Insurance Company West of the Rockies"

Home Office: Portland, Oregon



1934 Production in Boom

The largest comparative increase in business, both written and paid-for, ever recorded by the Ohio State Life in a similar period of time, was announced today by the company both for March and the first quarter of 1934. Compared with March, 1933, written business showed a gain of 62 percent and paid-for business, an increase of 72 percent. For the first quarter, written business was 35 percent higher and the paid for

business 41 percent higher. No special company campaign was put on in March, but the company had urged all its representatives to enter wholeheartedly into the observance of national Financial Independence Week and to this is attributed, in large measure, the phenomenal increase reported.

The G. M. Robinson general agency of the National Life of Vermont in De-

troit closed the first quarter with double the number of lives insured and a 60 percent increase in premium volume. In premium volume January and February were each 30 percent ahead and March was more than 100 percent ahead.

* * *

Paid production in the E. W. Albachten general agency of the Pacific Mutual in Detroit the first quarter of 1934 was 122 percent ahead on a unit basis and on a premium basis showed an increase of 7.75 percent in life production, 436 percent in non-cancellable disability, 253 percent in retirement annuities, 185 percent in commercial accident and health and 309 percent increase in single premium annuity business.

* * *

The southern California department of the Reliance Life, under the management of V. J. Adams, showed an excellent gain on both written and paid business the first quarter. Written business gained 149 percent in volume and 68 percent on applications while paid business increased 109 percent on volume and 45 percent on applications.

March written business gained 231 percent on volume and 90 percent on applications; paid, 155 percent on volume and 5 percent on applications.

* * *

The Pacific northwest district of the New York Life more than doubled its written business the first quarter, A. S. Elford, director of agencies, Seattle, reports.

* * *

The Central States Life of St. Louis showed a 45 percent increase in paid business in March and a 14 percent increase in written business.

* * *

March business of the National Life of Des Moines increased 151 percent, the increase for the first quarter being 79 percent.

* * *

Nationwide business recovery since Jan. 1 is reflected in the new business totals of the Bankers Life of Iowa which showed a gain of 28 percent in its new business written in the first quarter for a total of over \$14,600,000. March business gained 54 percent and the total of approximately \$5,000,000 for the month was close to March, 1932.

* * *

The best March since 1930 and the third month of the year to show a gain over the corresponding month of 1933 was the record made by Northwestern National Life of Minneapolis during the month just ended. Total new business amounted to \$5,384,963, an increase of

21 percent. The month's business also was in excess of the March average for the three "boom" years of 1927-29. The White & Odell agency, Minneapolis, was the leading agency for the month, with the Albachten-Sturdell agency, St. Louis, second, and the Texas state agency, Houston, third.

* * *

Production of the Central Life of Des Moines for the first three months of 1934 totaled \$7,579,230. If the same rate of production is maintained, Central Life's production by the end of April will have equalled production for the entire year in 1933. In a special "prosperity day" campaign Central Life agents produced \$764,733 business in a single day.

* * *

The White & Odell agency, Minnesota state managers for the Northwestern National Life, made a 20 percent gain in new ordinary business produced in Minnesota during 1933, paying for \$10,102,485, as compared with \$8,417,102 in 1932. Only two companies, the Prudential and the Metropolitan, wrote more new ordinary business in the state than the Northwestern National, which was the only one of the ten leading companies doing business in the state to show a substantial increase for the year.

* * *

March new business showed an increase over last year of 35 percent for the Home Life of New York, bringing the gain for the first quarter, compared with the same period of 1933, to 46 percent. This is the largest quarterly total for the company since the first quarter of 1932 and is only about 5 percent below that total. This is the fifth successive month in which the company has been showing material gains over the preceding month.

* * *

Large increases in the sale of insurance in March are reported by the Reliance Life of Pittsburgh. It was the best month for production since December, 1931. New insurance in March amounted to \$7,103,895 life insurance, a gain of 116 percent over March of last year, \$861,500 accident insurance, an increase of 56 percent, and \$4,082.50 weekly indemnity health insurance, gain 31 percent. For the first quarter, Reliance Life sales amounted to \$15,992,806 life insurance, an increase of 42 percent over last year, \$2,150,000 accident insurance, a gain of 32 percent, and \$11,247 weekly indemnity health insurance, an increase of 15 percent. During Financial Independence Week, Reliance sales exceeded \$3,700,000 life insurance.

The Bursting of the War Balloon in 1919



SUPPLYING the sinews of the World War resulted in a tremendous expansion of American business. Agricultural acreage and manufacturing capacity were extended till the economic fabric groaned. An epidemic of reckless buying hugely inflated prices. In November, 1919, the price of wheat was 100 cents a bushel, and the price of cotton was 15 cents a pound. The depression gripped the country for three years.

The Commercial and Financial Chronicle of November 20, 1920, said: "The depression of 1920-21 was precipitated and overwhelming... men are acting as if bereft of senses. They now seem too willing to believe nothing possesses any intrinsic merit, just as previously, during the upward flight of prices, they had believed that nothing could be devoid of merit."

Quoting from the December 4th Public Ledger of Philadelphia—"We now see... prices falling more rapidly than has ever been the case before in so short a period. The balloon of inflation has been pricked, and

we are now in the midst of the dangerous descent."

Again, as in the panics of 1837, '57, '73, '93 and 1914, those who were caught by the glamour of huge gains, and who discounted perilous risks, were severely penalized. Again, those who followed the siren came through without serious hurt.

At the end of the depression of 1914 the assets of the New England Mutual Life Insurance Company were \$70,000,000. At the end of the depression of 1921, the assets of the company were \$300,000,000.

Each succeeding year since the end of the present century, every premium-paying policyholder has received a larger dividend. Regular dividends have again been declared and, declared without reduction for 1934.

For security of principal and sound insurance protection New England Mutual invites you to join its great group of imper-turbed investors.

Write for our booklet, "Seven Depressions—Seven Steps Upward." A concise history of depressions, their origin and economic significance.

NEW ENGLAND MUTUAL Life Insurance Company

CHARTERED IN 1835
GEORGE WILLARD SMITH, President

OF BOSTON

U. S. High Court Refuses to Review Four Life Cases

WASHINGTON, April 5.—Refusing to grant petitions for review, the United States supreme court on April 2 gave tacit affirmation of lower court decisions in a number of insurance cases.

Among the cases which the court refused to hear was that of the Life & Casualty of Tennessee, seeking a rehearing of the recently decided case in which the Arkansas law imposing penalties upon insurance companies for failure promptly to pay claims was held to be valid.

One "Accidental Result" Case

The court refused a rehearing of an appeal by the Mutual Life of New York in a case where double liability was claimed for accidental death which the company contended was an "accidental result" rather than through "accidental means."

Other cases rejected by the court included those of the Northwestern Mutual Life involving alleged misrepresentation in an application, and Pacific Mutual Life involving a claim for interest.

Equitable, New York, Brings Out Family Income Policy

The Equitable Life of New York has brought out a family income policy, issued between ages 21 and 55, providing for an income of 1 percent per month per \$1,000 from date of issuance to the end of the family income period. This period is 20 years from date of issue for ages 21 to 45, 15 years for ages 46 to 50, and 10 years for ages 51 to 55. Excess interest is also paid during the family income period. The rate at age 35 for a \$10,000 policy, providing \$100 a month during the family income period, and payment of the face amount at its expiration, is \$369.90 with waiver and accidental death benefit, and \$344.80 without such features. If the insured survives the family income period the rate reduces to ordinary life as of age of issue.

Indiana Agencies Active

The Indiana agencies of the American Central Life are uniting during April in an intensive production drive to celebrate the fact that the company issued its first policy April 10, 1899, 35 years ago.

Difference of Opinion Found

THE NATIONAL UNDERWRITER has received two communications relating to its account last week of the house judiciary committee's inquiry into the Illinois Life receivership. One is from Brig. Gen. Abel Davis, president Chicago Title & Trust Co., and receiver for the Illinois Life, and the other is from J. P. Sullivan, who was principal witness and inquisitor at the hearing. Gen. Davis' letter is as follows:

"Thank you for the copy of THE NATIONAL UNDERWRITER of March 30. I read with interest your report of the hearings before the congressional committee, regarding the Illinois Life Insurance Company. It is by far the fairest report on the hearing of all those which have come to my attention."

Letter from Sullivan

The letter from Mr. Sullivan reads in part, sections deemed libelous being omitted:

"I write to express my appreciation of the publicity in your current issue. It is too bad that your reporter seemed to have a rather distorted view of the proceedings. For instance, he has the idea that I was hunting the Big Bad Wolf; the fact is that I was the Big Bad Wolf and I was hunting the three little pigs, or rather, hogs. He seemed to sense, later in his story, that some Big Bad Wolf was after some little pigs."

"When he tells how the committee was 'gunning' for the judge [Federal Judge Wilkerson who sat in the Illinois Life case], I wonder if he knew that your paper was one of the bitterest critics, editorially, of the judge's handling of the Illinois Life case [the criticisms were on the judge's patience with frivolous objections—Ed.]; would it surprise him to know that the committee had in its file on this case a number of copies of your editorial?"

"Your paper seems to persist in the idea that I am the general agent of the Illinois Bankers, when the fact is that my brother, John J. Sullivan, is the general agent and I am only his actuary."

Written Objections Cited

"Your reporter, prejudiced, of course, by his own pocketbook, seemed to think that Receiver Davis scored heavily when he stated that my objections to his various plans were the most frivolous he had ever seen or heard of; perhaps your reporter might become intelligent enough about the entire matter to write a fair article on it if he would read the written objections by me, on file in this case, and then read the court's order of May 31, 1933. Perhaps the fact that the court embodied practically all of my objections in his order of restrictions on Kemper, May 31, 1934, might give even as prejudiced and superficial an observer as your reporter the idea that my friend Abel was really only whistling through a cemetery."

"Of course your story is in its own way rather flattering to me; according to it I was the power which, alone and unaided by money or other sinister pressure, defeated the three little pigs. I am not deluded however; I know that what defeated them was their own inherent weakness and the inequities of their plans."

Reinsurance Contract

"Would your reporter be surprised to learn that in the opinion of postal authorities the mailing of a contract entitled in large letters 'Reinsurance Contract' and the mailing of letters which repeatedly described it as a reinsurance contract when as a matter of fact it is only a 'trust' or so-called management contract constituted a violation of the postal laws?"

"How does your prejudiced and opinionated reporter know that the money still in the hands of the receiver is going to be sufficient to cover all claims against the receiver and his expenses?"

Perhaps he had better take care in the representations he writes to be sent through the mails.

"Of course your reporter did not notice that the committee, with my assistance, seemed to know more in a few minutes about the contract than did Swansen and Carr who were supposed to have drawn it; more than did Davis and Palmer who so heartily recommended it to the suffering policyholders. Undoubtedly he was not a reporter who could be expected to notice those facts."

Percentage of Solvency

"I am not sure but it seemed to me that I recognized your reporter in the court room that day; I think he sat fairly close to where I was holding George Lavin in my lap. At one place in his story he indicates that all he was able to overhear was bzzz bzz bz as I talked; but his eavesdropping bore some fruit at least; he heard me assure one of the congressmen that there was such a percentage as that of solvency for a life insurance company."

"Finally I again express my appreciation of the publicity accorded me and my knight-errantry. If you have a

really good reporter send him the next time; you may get a real story and you may not play so readily into the hands of your good friend Best."

Sharpe Takes New Position

T. M. Sharpe, Jr., has assumed his new duties as supervisor for the St. Louis general agency of the Aetna Life. A. P. Shugg is the general agent.

Mr. Sharpe graduated from the University of Pennsylvania and entered the life business in 1924 with the Provident Mutual Life at Philadelphia. In 1926 he joined the Philadelphia general agency of the Aetna Life and soon ranked among its leading personal producers. He was appointed a supervisor in 1930, continuing in that capacity until April 1, 1933, when he joined the Luther-Keffer Agency of the Aetna Life in New York City. In 1929 he wrote better than \$500,000 of new business and was consistently increasing his production until appointed supervisor.

To Distribute Women's Fund

The women's safety fund of about \$135,000 of the old Hartford Life will shortly be distributed to 124 certificate holders, all but one of the certificate holders having signed the formal agreement.

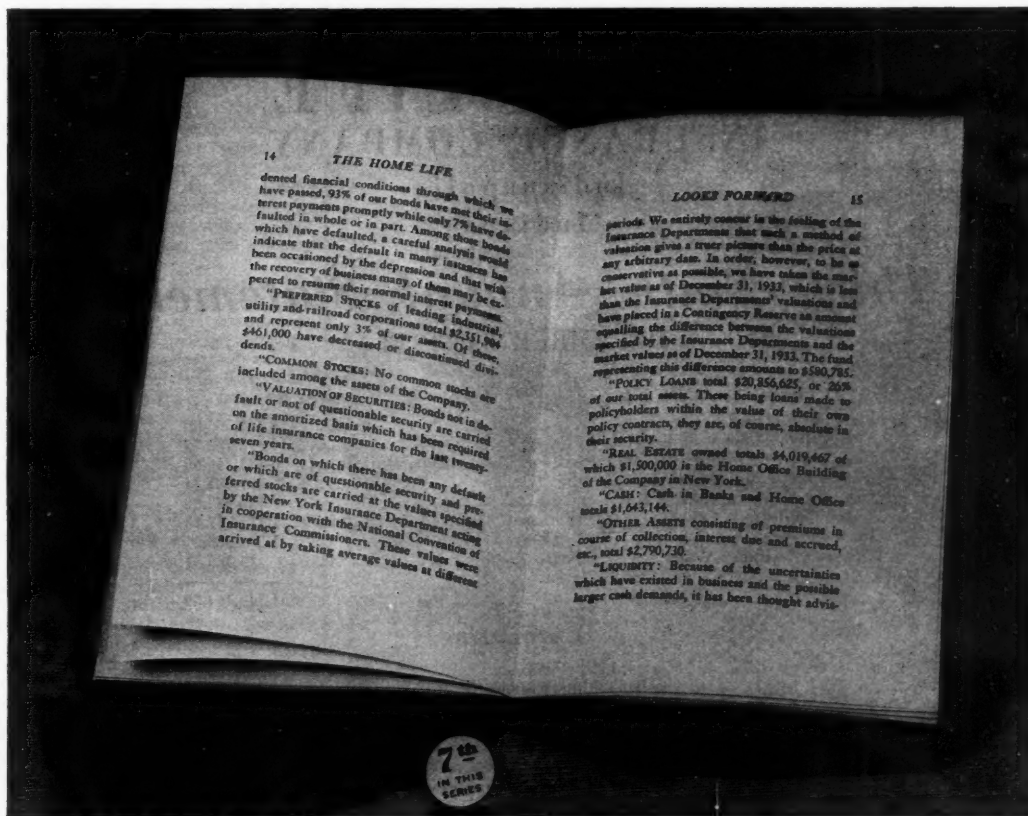
Find Improved Conditions Having Salutary Effect

A. Gordon Ramsay, assistant general manager of the Canada Life, and R. J. Trenouth, assistant superintendent in charge of western business, now returning from the west, where they have visited all Pacific Coast offices and western branches in the United States and Canada, have observed and sensed a greatly improved mental attitude on the part of everyone with whom they have come in contact.

This better feeling has had a marked effect on the production of sales representatives who have returned to their old form and are now producing business consistently. Certain agents whose chances for success in the business six months ago were regarded as meagre, have come thoroughly rejuvenated and now appear on the production lists every week.

A. O. U. W., North Dakota, Gains

The A. O. U. W. of North Dakota has made an increase in the amount of insurance written every month since August, 1933, over the figures for the previous year. The increase in March over March, 1933, was 55 percent.



This is one of a series of advertisements, reproducing the pages of a new book, "The Home Life Looks Forward", which has just been published. If you care to have a copy of the entire book, write now to Cecil C. Fulton, Jr., Superintendent of Agencies.

HOME LIFE INSURANCE COMPANY

256 BROADWAY, NEW YORK, N.Y.

ETHELBERT IDE LOW
Chairman of the Board

JAMES A. FULTON
President

Discusses Interest Earned

Actuary J. W. Barth of the Guarantee Mutual Life of Omaha brings up a point in the construction of annual statements that is of interest. He compares the figures of the Guarantee Mutual with other companies showing its favorable showing in many points but its unfavorable position in regard to net interest earned on funds last year. He therefore discusses this latter point regarding the net interest percentage as shown in the gain and loss exhibit. Mr. Barth says:

"We followed the instructions to companies as set forth in Provision 13 on the inside cover of the convention annual statement blank in ascertaining the interest due and accrued item on Page 4, Line 16, of the annual statement. This item was shown as \$84,202, and our net interest earned as shown by the gain and loss exhibit was 3.67 percent. The resolution adopted Dec. 5, 1933, by the National Convention of Insurance Commissioners provides under Paragraph 3 that all bonds of governments, states and political subdivisions thereof, where such bonds shall have been in default for a period not longer than one year prior to Nov. 1, 1933, should be valued

at the convention values used for annual statements as of Dec. 31, 1932.

"In effect this paragraph states that bonds in default for a period not longer than one year prior to Nov. 1, 1933, shall be considered as not in default for valuation purposes. We followed the instructions as contained in this resolution in valuing our bonds. However, in ascertaining the interest due and accrued, we did not include the interest in default where the bond was in default as to either principal or interest as of Dec. 31, 1933. If we had included the interest unpaid on bonds in default for a period not longer than one year prior to Nov. 1, 1933, the item on Page 4, Line 16, of the annual statement would have been \$255,311 instead of the amount mentioned and our net interest return would have been 4.8 percent. We have been informed that the majority of the companies have included this unpaid interest under bonds in default less than 14 months."

J. M. Laffin Honored

The Maine Life Underwriters Association as a token of good will to John

M. Laffin, who leaves Portland this month to become general agent for the Penn Mutual in Omaha, gave him a pipe. George Ellis of the Phoenix Mutual at Portland made the presentation for the group.

Atkins Agency Honors McFall

John L. Atkins of Durham, N. C., general agent of the Columbian National Life, in order to show appreciation for Vice-president A. A. McFall, head of the agency department, conducted a March McFall month of his own and produced \$145,000 in business. Mr. McFall visited the agency and was an honor guest at a luncheon.

L. B. Bishop Seriously Ill

L. Brackett Bishop, former Chicago general agent for the Massachusetts Mutual Life and former president of the National Association of Life Underwriters, is confined in the Auditorium Hotel, Chicago, with arthritis and is seriously ill. With Mrs. Bishop he recently returned from a winter sojourn in Florida and was stricken after he reached Chicago. Mr. Bishop recently celebrated his 80th birthday.

Winners never quit and quitters never win.

Famous Southpaw Now Is an Agency Partner

Eppa Rixey, the famous southpaw pitcher for the Cincinnati Reds for many years past, has now entered the general insurance business. He is now a partner of C. A. Meyers, Cincinnati local agent, and the agency will be known as Meyers & Rixey. Mr. Rixey has for many years been a personal producer for the Massachusetts Mutual Life office of L. A. Witten in Cincinnati and will continue to represent that company in his new connection. Mr. Rixey decided to quit baseball this last winter although he was still a member of the Cincinnati team.

New Appointments Are Made

American National of Galveston Announces Important Assignments in Far West Territory

The American National of Galveston announces new appointments in the ordinary department.

Eugene C. Norman has been appointed manager of the northern California branch with headquarters at 902 Pacific National Bank building, San Francisco. He began his insurance career about five years ago with the New York Life. In 1931, he became associated with the West Coast Life as general agent in Oakland, Cal.

Volger Salt Lake Manager

Wm. Volger has been appointed manager at Salt Lake City. He will operate in Utah, Idaho and Wyoming. Last year his agency paid for \$1,703,000 of business for the Continental Life. He has an organization of approximately 25 agents.

G. R. Holdhusen has been appointed home office supervisor and will spend most of his time in central-west and central east in agency organization work for the ordinary department. Mr. Holdhusen entered the insurance business 10 years ago as an agent in St. Paul, for the Western Union Life of Spokane. In January, 1924, he was appointed field supervisor for the National Life, U. S. A. In January, 1926, he was made supervisor of agencies and continued in that capacity until November, 1933.

Obtains Prospects From Welcome Wagon Hostess

In many cities chambers of commerce have arranged to send around for a visit to newcomers in the city what is known as the welcome wagon. The welcome wagon brings to the door of the newly arrived citizen an official hostess who tells about the interesting places in the city and then leaves samples of merchandise as well as tickets calling for services and products at various business establishments. One astute life insurance agent obtains the names of those moving into the city at a cost of 25 cents a name from the official hostess and then follows through with a life insurance call. The introduction is not immediately on the sale of life insurance but rather is to sell the newcomer on the agent as the man to handle his insurance business in the community. Since a move is often connected with what life insurance men call an insurance situation, this agent has been successful in making the plan bring to him new business in an appreciable amount and also gives him the opportunity to sell himself before competitors get on the ground.

THE STATE LIFE INSURANCE COMPANY

Indianapolis
Indiana

Thirty-Ninth Annual Statement

DECEMBER 31, 1933

Resources

First Mortgage Loans.....	\$24,260,567.80
Policy Loans Secured by Reserve.....	17,193,702.77
Real Estate including site purchased for Home Office Building...	6,432,746.65
Government and Municipal Bonds.....	399,485.31
Cash in Banks and Office.....	456,927.89
Net Uncollected and Deferred Premiums (Secured by Reserve)	1,177,582.45
Interest Due and Accrued (Well Secured).....	1,806,366.21
Other Admitted Assets.....	16,085.51
Total	\$51,743,464.59

Liabilities

Reserve on Life and Endowment Policies.....	\$43,281,564.21
Reserve for Disability and Double Indemnity Benefits.....	2,626,395.76
Reserve for Installment Payments, Policy Proceeds left with the Company, and Annuities.....	1,198,282.00
Policy Claims Reported and in Process of Settlement.....	352,278.47
Dividends Apportioned	800,483.75
Reserve for Federal, State and other Taxes payable in 1934.....	155,227.78
Current Commissions and Accounts Accrued.....	101,316.66
Premiums and Interest Paid in Advance.....	415,307.58
Other Liabilities	1,068,775.60
Surplus	1,743,832.78
Total	\$51,743,464.59

An Increase in Surplus

The Company operations for the year 1933, after making ample provision for all policy reserves and other known liabilities, resulted in an increase in surplus of more than \$430,000.00. In 1934 dividends to policyholders will be slightly increased over 1933.

Since organization the Company paid to Beneficiaries of deceased Policyholders. \$37,277,361.70
To Living Policyholders.....\$56,454,146.31
These payments are in addition to the sum saved for policyholders as set forth in the annual statement above.....\$51,743,464.59

**[The "STATE LIFE" is a good Company
in which to carry your Life Insurance]**

Emmet C. May Goes on Trial, Charged with Embezzlement

PEORIA LIFE EX-PRESIDENT

State's Attorney Cites Three Specific Charges in Opening Statement to the Jury

PEORIA, ILL., April 5.—With the jury complete and opening statements made the trial of Emmet C. May, former president of the Peoria Life, now in receivership, started in Peoria Tuesday. May faces an indictment charging him with embezzling funds aggregating \$35,000 from the company.

G. B. Pattison, secretary of the company, under indictment with May on a conspiracy charge to defraud the insurance company of \$250,000 occupies a chair directly behind May, attending all court sessions.

State's Attorney Champion, in his opening statement, revealed three specific charges of embezzlement against May which he said the evidence would disclose. He claims on Feb. 9, 1932, apparently on the verbal request of May, the Peoria Life account at the Bank of Peoria, was debited in the amount of \$13,500. The money was later credited to May's personal account at the bank. On the same day this money was applied to a debt that May owed the bank in the form of an over-draft.

Same as the Overdraft

The sum, the state's attorney said, was within a few hundred dollars of being the same amount as the overdraft.

A second charge indicated that on Jan. 11, 1932, a check was drawn, at the request of May, on the account of the Peoria Life in the bank of Peoria for \$14,900 and on that same day the check was paid and the amount was paid to take care of another overdraft against Mr. May in almost an identical amount.

Again on June 2, 1932, the prosecutor says, May ordered a check drawn on the Peoria Life for \$7,000 and deposited to May's personal account to apply on another overdraft.

Champion expressed the opinion the trial will require at least three or four days and he expects to call six or eight witnesses.

Albert Weil, one of May's Attorneys, declared, in his opening statement, that they were unaware of the specific charges set forth by the state's attorney until they were made in court. He said the indictment, as returned, did not set forth the charges as outlined by Champion.

Weil said he expected to show May did not take a thing from the Peoria Life that he was not entitled to. He sketched May's career in Peoria, stating that he came to Peoria 30 years ago and in 1908 founded the Peoria Life in the law offices which he occupied with J. B. Wolfenbarger. It was through May's efforts, he said, that the Peoria Life attained the high position it held.

Have Display at Exhibit

A unique display portraying the part life insurance plays in protecting the modern home will be exhibited by Burkhardt & Moore, Indianapolis general agents for the Lincoln National Life, at the annual home show in Indianapolis starting April 16. The center of the display will be a miniature home roofed with policies providing family income, clean-up fund, mortgage protection, retirement income, education for the children, etc. On either side of the miniature home, the well-known life insurance argument, "Only 3 cents of every dollar of income is placed in life insurance, but 87 cents of every dollar bequeathed at death comes from life insurance," will be visualized by large three dimensional placards.

Former Commissioner of Michigan Dies in Detroit



L. T. HANDS

L. T. Hands, vice-president and general manager of the Michigan Life, and former insurance commissioner of Michigan, died in a Detroit hospital Friday from acute nephritis. He had been seriously ill since the previous Sunday. Funeral services were held Monday with burial at Peck, Mich.

Born in Sanilac county, Mich., in 1881, he taught school for a time and then entered life insurance work. In 1916 he became a member of the secretary of state's staff and shortly afterward was appointed commissioner by Governor A. J. Groesbeck, who is now president of the Michigan Life, serving in that capacity for six years.

In 1928 on retiring to private life, Messrs. Groesbeck and Hands organized the Michigan Life and Mr. Hands has been vice-president and general manager since its inception. He served several terms as a director of the Insurance Federation of Michigan and was one of the organizers of the Affiliated Insurance Interests, an organization of executives of stock, mutual, fraternal and reciprocal carriers with home offices in Detroit.

Permit Is Not Required

The Iowa supreme court has held that, despite the legislative requirement that foreign life companies must obtain permits in that state from the secretary of state, where this condition has not been complied with over a period of years and there has been no demand made upon the companies by the secretary of state, the company should suffer no penalty. The case was John Hancock Mutual vs. Lookingbill, administrator, et al.

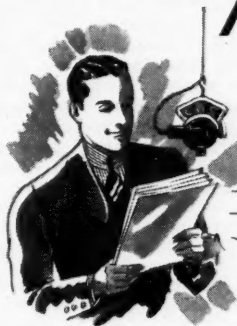
The John Hancock brought an action to foreclose a mortgage and it was contended by the mortgagor, an Iowan, that the John Hancock has not complied with chapter 386 of the Iowa code and hence it cannot bring the action and the mortgage is void.

If that contention were held to be correct, the supreme court stated, foreign life companies would lose the 412 millions of dollars now invested in real estate and mortgages in Iowa.

Pan-American Life's New Club

An app-a-week club with awards for persistency in submitting one or more applications per week by agents of the Pan-American Life has been announced by Ted M. Simmons, manager of agencies. Membership in the club will run for 13-week periods with prize awards to be made at the end of each period, while at the end of each unbroken 52-week period a grand prize will be awarded club members.

Prospecting BY RADIO!



HE IS INVITED into millions of homes every Sunday—at a turn of the dial. He brings the "Roses and Drums" program into those homes, and tells fathers and mothers how, in spite of reduced incomes, they can secure the life insurance they need. *Union Central's salesman of the air!*

Every one of those families he visits is a prospect for Union Central representatives during the following week. The real problem is how to cover them fast enough.

What's more, a lot of these prospects write in for specific information—nearly 60,000 direct leads to date. Naturally, they get preferred attention.

Union Central men in the field say that "prospecting by radio" cuts down selling time . . . and that means more interviews per day . . . more applications . . . bigger commissions!



"You certainly had the right idea, Jane. I signed up for Union Central's Economic Adjustment Plan today."

"I'm so glad we heard about it on the 'Roses and Drums' program — and sent for this booklet."

The UNION CENTRAL Life Insurance Company

CINCINNATI

Comment on Various Phases of the Business

By E. J. Wohlgemuth

In a break-down of our vaunted American individualism so great that for the time being at least we are launched upon the sea of governmental collectivism, we cannot escape the sense of a sad deficiency in our state supervision and other machinery that we took for granted had been set up to protect the business from the greater evils of actual dishonesty in the manipulation of control and the handling of assets of our companies. Men have gone to jail and others should be there for the part they have played in this dreary spectacle. When the old Provident Savings Life and the Pittsburgh Life & Trust were looted by the penniless schemers who paid for the companies with their own assets after they had secured control, it might be supposed that this sort of thing could not be repeated under the form of state supervision which had been evolved. There was a woeful lack of just an ordinary sense of responsi-

bility and duty in our insurance superintendents which cannot be ignored and if we really are departing from the ways of "rugged individualism" to those of "ragged collectivism," we may charge much of the breakdown of the old system to the exploiters who were helped by our too complaisant supervisors of our system of state supervision. The recent conviction of M. J. Dorsey for the bare-faced substitution of worthless for good assets in the companies he controlled is no whit worse than the sale of Inter-Southern Life stock which he or his associates had purchased to sell to his own poor little company, the Security Life, at a profit of over \$600,000; or the sale on another occasion of another company's stock at a profit of a somewhat similar amount to St. Louis people who wished to control the late Missouri State Life and induced the directors of that company to guarantee the notes given in payment, later taking it out of the cash of the Missouri State,

money probably received as a loan from the Reconstruction Finance Corporation.

Such acts cannot be glossed over and forgotten. If they are guilty, the men responsible must be punished. Precedents of failure to punish cannot be established and the life insurance business retain the confidence of the public. Civil suits for the return of money unlawfully secured are not enough and the life insurance business must be purged once for all of the type of promoter and racketeer who have been guilty of besmirching its fair name.

And the business must go still further; it must change the point of view or eliminate altogether the company officials and the managements who have seen in the life insurance business solely an opportunity for profit, who have had the one desire of large profits at any cost to others within the law. These enemies of life insurance within the business itself must be eradicated.

* * *

THE LIQUOR HAZARD

The return of legalized liquor puts one more problem on the home office and causes actuaries, medical directors and underwriting committees to get out the old records, statistics, ratios and experiences, dust them off, and try to ap-

ply them to present-day conditions. In pre-prohibition days the amount of liquor consumed by an applicant was given first consideration. Certain companies had special departments for those who did not use liquor in any form and a few companies had been started either with total abstinence departments or to write non-alcoholic risks exclusively. Some companies got out rating manuals covering liquor risks. Not only is there critical inspection of alcohol-using applicants but the liquor industry itself attracts to its ranks a poor class of risks. No doubt companies will revive their restrictions on the users of alcohol as well as on those engaged in the business.

"Spirit of St. Louis" Used

The Philip O. Works agency of the Penn Mutual Life in St. Louis has a new semi-monthly publication, called "The Spirit of St. Louis." "We have chosen for our symbol the Spirit of St. Louis," the first issue states, "because it typifies what we in St. Louis stand for: courage, perseverance, and achievement. However, this is not a solo flight and reservations have been made for the entire agency. There is room aboard for all who are out for bigger, better things." Harry Wuertebacher was nominated "pilot of the month" because he paid for \$113,294 in the previous month.

Western & Southern Appointments

Four new superintendents are appointed by the Western & Southern Life: William Hartnett, St. Louis; C. P. Lonzway, Fostoria; G. R. Overdorff and P. J. Griffin, Chicago.

Special Women's Drive by Jefferson Standard



MISS MARY TAYLOR

During April the Jefferson Standard field force will conduct a special drive for insurance on the lives of women. Special campaign plans have been prepared and working tools placed in the hands of agents. Miss Mary Taylor, secretary to President Julian Price, who has been with the company for 27 years, is acting as sponsor for this special drive. It features the Jefferson Standard's new optional retirement income contract, which allows the policyholder to designate the beginning of the income at any time between the ages of 50 and 70. Under this special plan, it is not necessary for the policyholder to select a retirement date at the time the policy is applied for.

"Miss Mary," as she is affectionately known by the members of the Jefferson Standard field force, has selected a very attractive prize which will be awarded to agents producing business on the lives of women.

20

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20



3 IN 1

OUR ORGANIZED SALES PLAN

is a "three-in-one" product—a solution to three fundamental problems:

**P-R-O-S-P-E-C-T-I-N-G
P-R-E-S-E-N-T-A-T-I-O-N
T-I-M-E C-O-N-T-R-O-L**

The plan is symbolized in the formula

20 — 12 — 10 — 15 — 20

representing an IDEAL which more and more of the boys approach!

WHAT DOES THE "20" MEAN?

Simply this—

Following fifty odd suggested methods of getting prospects, a man following the plan tries earnestly to have 20 NEW NAMES to approach every week. The plan makes it possible to get the new names and it solves the question of the approach as well.

That is the meaning of the "20" in the ideal formula.

Interested?

Then say the word and we'll tell you the rest of the story.

On Agency Matters Address
HAROLD J. CUMMINGS, Vice-President

THE MINNESOTA MUTUAL LIFE INSURANCE CO.
Saint Paul

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Non-Admitted Companies Called Shell Game Artists

MONTANA OFFICIAL IN BLAST

Commissioner Holmes Issues Picturesquely Worded Bulletin Warning Against Mail Order Operators

Commissioner John J. Holmes of Montana, who is an artist in the use of picturesque and salty language, has sent out a lengthy bulletin, which was very obviously composed by himself and not by a ghost writer. The bulletin treats of various matters and Mr. Holmes reaches rhetorical heights in blasting away at non-admitted companies, which solicit business in Montana.

"Years ago," Mr. Holmes writes, "the county fair always had its shell game. The yokel lost his earnings betting on the illusive pea manipulated by a clever operator. The people became wise to that game, but one now wonders if the game is being revived in the clothes of mail order life insurance companies. Until such time as these life insurance companies qualify under the laws; submit their financial statements and expose all 'hole cards' the people of Montana should refuse to contribute to the earnings of these companies, unless they are like the small boy at the church fair fishing pond, willing to take that which is tied to the hook with which they are fishing."

Hungry Pack Is Waiting

"The period of economic readjustment," he continues, "has seen a revival of the so-called benevolent societies which have always put in their appearance during years of financial depression. There is nothing new or novel in the form of the society as it is now existing. The days of Rome witnessed societies of this description and they always gather on the outskirts of financially stricken communities, as a hungry pack waiting for the enfeebled victim to give up the ghost and submit to the orgies of their feast."

"The department has repeatedly called the citizens' attention to the fact that the so-called contract made by these societies is a simon pure, unadulterated, gambling contract. It is a case of pay your money and take a chance. A member may contribute every time the hat is passed around, but, unless the other members contribute, in like manner, when the hat is passed around for him, he, or his beneficiaries, will receive little or nothing."

Soft for Organizer

"The department is not astounded over the number of applications which are received from such societies operating in other states, as it is apparent that the reward to the promoter greatly exceeds the labor involved. One some times wonders why men will grow old with care in positions which carry a fixed salary when members of a benevolent society are willing to pay the organizer of the society an amount equivalent to the salary of the governor of Montana."

Mr. Holmes states the department is being careful in renewing licenses of companies this year. He expressed the belief that life companies, which insure failed life companies under contracts requiring owners of paid up policies to pay interest on the lien, should not be privileged to operate in Montana.

Mr. Holmes also states that he proposes to make a drive against companies, whose agency directors teach and encourage unethical practices on the part of the agent. The department feels that its efforts should be directed more against the agency director than against the individual agent.

American Central Study Club

The American Central Travel Study Club, composed of home office em-

ployes of the American Central Life of Indianapolis, began its second year Jan. 10, by electing new officers. C. M. Baird, manager of office service, was elected president and Miss Olive Faulkner of the medical division, secretary-treasurer. The club meets once each month to hear professional travel lecturers, or to view motion pictures of foreign countries.

Hercules Doing Conservation

Agency Situation Well in Hand, Says General Manager Odell—Iowa Agreement Reached

The agency situation of the Hercules Life of Chicago is well in hand, General Manager Carl L. Odell reports this week and he is turning all his efforts to conservation work. Response of policyholders of the National Life, U. S. A., has been excellent, he said. With most of the general agents signed up to the new agency contract, he expects a large proportion of the old business will be retained.

The conservation work is under direction of F. H. Morgan, formerly secretary Missouri State Life, and then assistant secretary General American Life,

in charge of the same work with those companies.

Although the Hercules' policy contracts have not yet appeared on the market, they have been approved by the Illinois department. It is likely they will be available to agents next week.

Dissenting Agents Disorganized

Dissenting general agents who refused to sign with the Hercules on the basis proposed had planned to file joint suit for renewals in the name of their agents' association. However, they disagreed on the advisability of employing an actuary to calculate commuted value of renewals, and now it is said they will take individual action. Petitions will be filed Friday in Chicago, it is reported, and separate action in federal court in Ohio.

REACH AGREEMENT IN IOWA

DES MOINES, March 5.—Iowa policyholders of the old Des Moines Life, reinsured some years ago by the National Life of U. S. A., Chicago, will incur no financial or policy loss by reason of the failure Commissioner Clark of Iowa announced. Under an agreement reached between him and the Hercules Life, the Des Moines Life policies will be reinsured under a separate contract which removes all liens and restores

these policies to their original value. This was accomplished, Mr. Clark said, because the insurance department holds securities of the National Life approximately equaling the value of the local policies. More than \$4,000,000 insurance is involved.

END MICHIGAN RECEIVERSHIP

LANSING, MICH., April 5.—Deputy Commissioner Wade of Michigan has been discharged as Michigan receiver for the National Life, U. S. A., by order of Circuit Judge Carr of Ingham county. Michigan assets will be turned over to Receiver P. J. Lucey, Chicago.

Average Age of the Group Men

A survey recently conducted in the group department of the General American Life of St. Louis, has resulted in the disclosure that the average age of the division heads of the departments is only 31. Each of these men has had an average of nearly ten years' experience in the life insurance business.

Emil E. Brill is vice-president of the group department, and was also included in the survey. He, himself, is in his late 30s. Included also are John L. Folk, Jr., executive assistant, group insurance division, and Joseph W. Wise, manager of the salary savings division.

Synopsis of 22nd YEAR of ACCOMPLISHMENT January 1, 1934

The record of this Company for the year 1933 indicates the ever-increasing acceptance of "L-M-C" safety and economy with buyers of Automobile, Compensation and general casualty insurance.

1933 Premium Income

increased to - - - - \$16,004,197.85

Assets

(Bonds on amortized basis.
Stocks at actual market value.)

increased to - - - - \$17,222,827.28

Dividends paid to policyholders in 1933

increased to - - - - \$ 2,827,117.38

Net surplus (Based on actual market values of all securities owned.)

increased to - - - - \$ 2,385,666.10

**Paid for losses and returned to policyholders in
dividends since organization over \$60,000,000.**

*Send for our financial statement which contains a complete list of
securities owned. No obligation.*

LUMBERMENS MUTUAL CASUALTY COMPANY

JAMES S. KEMPER, President

Home Office: Mutual Insurance Bldg., Chicago

REPRESENTED BY LEADING AGENTS THROUGHOUT THE COUNTRY

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION, PUBLISHED EVERY FRIDAY

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News and Advertising

IT SEEMS to us that some of the insurance companies take the insurance trade press too much for granted. They expect matter to be published in the news and editorial columns which properly belongs in the advertising section and should be paid for at space rates.

An insurance paper owes to its subscribers that it shall publish legitimate insurance information and not propaganda in favor of this or that company. Propaganda comes under the head of advertising.

Most insurance companies do not understand the real value of a sound publicity and advertising program in the business press. They do understand pretty well the art of getting free publicity in the news columns. The line between real news and propaganda or advertising is sometimes a thin one, but it exists.

One difficulty is that even the best and largest advertising agencies have not understood or properly studied business paper advertising. The reason is that it takes actually more work and study to plan a good trade paper advertising campaign than a general campaign and yet as the amount involved is much smaller the returns to the agency are relatively to the general campaign small.

We recently had the pleasure and satisfaction of being consulted by one

of the largest advertising agencies concerning the insurance paper advertising of its client, one of the largest companies. The agency frankly admitted that it was not sold on insurance paper advertising. The result was that it was completely convinced that a proper publicity program in the insurance business was just what the company which it represented needed.

THE NATIONAL UNDERWRITER and its affiliated publications have 70,000 circulation. These are usually the liveliest and best agents and managers—the men whose opinion is worth something both within and outside the insurance business. These men influence the lesser agents, so in reality the whole insurance field is covered, and, of course, it is the insurance world which in turn advises the public on insurance matters.

We started out to say that there is a field for advertising and for legitimate news in the insurance press. Just now it is more important for an insurance company to have the backing and confidence of the insurance world than to spend a large amount of money in a general advertising program, though we believe the latter will pay if the company is large enough and can afford it. But all companies can afford a reasonable advertising campaign in well-selected business papers.

The Widow's Bliss

THE answer to the man who objects to buying life insurance, with his wife as beneficiary, on the ground that he is uncharitable enough not to want to finance a successor at the breakfast table, is given by the MUTUAL LIFE of New York. That company cites lovely statistics for the occasion, showing that very few relicts (to poach on "TIME's" vocabulary) choose to run again or are chosen. Therefore, the husband who objects to paying premiums for the benefit of a successor, is either a megalomaniac or holds the charm of his spouse in too high esteem. He is likely to be a megalomaniac in assuming that he has caused the marital state to be so de-

lightful to his wife, that she will desire to form another attachment upon his demise.

The MUTUAL LIFE cites statistics to show that of widows between ages 21 and 25, only three out of 10 ever remarry; of those between ages 31 and 35 only two in 15 remarry and of those between 36 and 40 only one in 15 remarries.

EVERYONE will acknowledge that a conversationalist of real ability has a true mission in life. It is good exercise for the mental faculties. However, the conversationalist should know what he is talking about.

PERSONAL SIDE OF BUSINESS

P. M. Fraser, vice-president Connecticut Mutual Life, has been elected a director of the Dime Savings Bank of Hartford. **R. W. Huntington**, president Connecticut General, was reelected president of that bank.

H. H. Van Tuyl, an executive of the Litchard & Cook general agency of the Massachusetts Mutual in Springfield, Mass., dropped dead while attending the funeral of William Hannah, also of the agency. He was a native of Detroit and a graduate of the University of Michigan. He was with the Mutual Life in New York before going to Springfield.

Miss Aileen Hall, only daughter of **Arthur F. Hall**, president of the Lincoln National Life, was married to **Fred Shoaff** of Fort Wayne, Ind. Mr. and Mrs. Shoaff are now on a wedding trip through the south and east, and on their return will make their home in Fort Wayne. Mr. Shoaff is assistant sales manager for the Berghoff Brewing Corporation.

A. P. Steler, "millionaire" producer of the Johnston & Clark general agency of the Mutual Benefit in Detroit and treasurer of Qualified Life Underwriters, now has more than 900 weeks of consecutive weekly production to his credit. He has been in the business nearly 20 years. For six consecutive years he sold more than \$1,000,000 annually and for seven years he led all Mutual Benefit agents in number of lives insured.

John A. Reynolds, president of the Detroit Life, has been appointed chairman of the 1934 "Let's Know Detroit" campaign, about to be launched by the Detroit board of commerce. The campaign is designed to spread knowledge of the standing and history of the city to outsiders and city residents alike.

Mr. Reynolds is promoting an all-Detroit Progress Exposition in which more than 400 manufacturers will display their wares in halls and windows throughout the city the week of April 9.

L. Watts Norton of Dunham, N. C., who was recently made general agent for the entire state of North Carolina for the Northwestern Mutual Life, is president of the Durham Life Underwriters Association. Since 1929 he has been in charge of the eastern half of North Carolina but recently the western North Carolina agency, which previously had been under T. N. Clark in Asheville, was consolidated under Mr. Norton's jurisdiction. Mr. Norton is a graduate of the University of Virginia and has been in life insurance work in Durham for about 20 years.

Dr. J. C. Hanchett, medical director of the Maccabees since 1923, died in a Detroit hospital after a 10-day illness. He was district medical examiner in Salt Lake City 1904-1920 and in San Pedro, Cal., 1920-1923, when he was called to the home office in Detroit as medical director. He was active in the National Fraternal Congress and vice-president of the Canadian Fraternal Association.

President M. A. Linton of the Provident Mutual Life will present a paper at the tenth International Congress of Actuaries which will be held in Rome May 4-9. His subject is, "The Actuarial Aspect of Financial Questions Regarding Life Insurance."

Three high officers of the **Bankers Life of Des Moines** are stamp collectors widely known in philatelic circles. **Gerard S. Nollen**, president, has a large collection of rare and valuable stamps of all lands. **B. N. Mills**, secretary, specializes in United States and Nether-

lands stamps, and he trades extensively with a Dutch friend, affiliated with The Hague library. **E. M. McConney**, actuary, a native of Barbados, where his father was an Episcopal clergyman, has been assembling his extensive collection since boyhood.

O. B. Haller of Toledo, O., agency manager of the Equitable Life of New York, has rounded out 20 years with the company and the agents paid for \$1,102,900 representing 391 cases from Jan. 14 to March 14 in his honor. There was a testimonial dinner for Mr. Haller and applications of \$214,000 were given him. Superintendent of Agencies **W. M. Rothaermel** of Chicago and **H. J. Rossman** of the home office were guests.

Dr. E. McP. Armstrong, medical director Mutual Life of New York, who is on a trip through the south, visited Richmond, Va., last week.

Claris Adams, executive vice-president American Life, was the principal speaker at the 23rd birthday celebration of the Exchange Club, founded in Detroit and now national in scope.

A. C. Mirick of Worcester, Mass., manager of the policy loan department at the head office of the State Mutual Life, died a few days ago after being with the company 37 years. He started in a clerical position. He was 61 years of age. He had attended to his duties in the office, walked to the public library and expired there without any warning from a heart attack.

Miss **Miriam Hamilton** of Chicago, director of the Federal Life of that city, daughter of President Isaac Miller Hamilton of the company, and **Spencer R. Keare** of Evanston, Ill., were married last Saturday afternoon at the home of the bride. Miss Hamilton not only graduated from Vassar but also the law school of the University of Chicago.

To commemorate the first anniversary of the management of **John W. Yates**, general agent, and also that of his assistant general agents, **Bob Altick** and **F. Van Stralen**, the members of the southern California agency at Los Angeles of the Massachusetts Mutual Life held a ham and egg breakfast.

Don F. Safford, traveling out of Dallas for the Jefferson Standard Life, was killed when he leaped from a burning hotel at Longview, Tex. **Sam N. Craig**, cashier in the Dallas office of the Jefferson Standard, was fatally burned and died in a Longview hospital.

Mr. Safford was 52 years of age and was supervisor for the Texas agency of the Jefferson Standard. He had been with the company nine years. He was brought into the service by **E. S. Albritton**, now Chicago general agent for the Provident Mutual, who at that time was state manager of the Jefferson Standard. When Mr. Albritton went to Atlanta as vice-president of the Southern States Life there, he took Mr. Safford with him as city manager. When Mr. Albritton left the Southern States, Mr. Safford returned to Dallas, connecting again with the Jefferson Standard.

George N. Ayres, president of the Central Life of Des Moines, who has been taking a month's vacation trip, arrived in Los Angeles from Havana via the Panama Canal. After a brief visit with **A. B. Olson**, general agent for southern California, Mr. Ayres left for Phoenix, Ariz., where he will spend a few days.

J. C. Kidd, former Indiana official and **D. W. Flickinger**, John Hancock Mutual Life, have been appointed on the

sub-committee representing life insurance on the Indianapolis chamber of commerce insurance committee.

Freeman Alford of Kansas City, southwestern manager for the North American Life, was elected councilman-at-large from the third district on the Democratic ticket in the city election there, with a majority of well over 50,000 in the largest election the city ever has held.

He was opposed by **T. L. Johnson**, unit manager for the A. M. Embury agency of the Equitable of New York, who, although defeated, led the entire Citizens-Fusion ticket.

A. L. Dern, vice-president and manager of agencies of the Lincoln National Life, is now on a field trip through eastern territory.

Laurence W. Morgan, comptroller of the Pacific Mutual at the home office, celebrated his 87th birthday April 2. He is the father of Vice-president L. W. Morgan of the Pacific Mutual.

John Ernest, Oklahoma producer for the Central States Life, suffered a nervous breakdown last month and went to Mineral Wells, Tex., for an extended rest. He later experienced a partial paralytic stroke from which he has not yet fully recovered. When he became ill he had a record of 315 consecutive weeks of personal production to his credit.

Dr. L. E. Evens, 65, surgical adviser at the home office of the Aetna Life group, for the past 20 years, died suddenly of heart failure at Meiners Oaks, near Ventura, Cal., while visiting relatives. He went to California following a visit to the Texas and Arizona agencies of the Aetna companies.

H. M. Meloney, member of the Knight New York agency of the Union Central Life, was extended a leave of absence to permit him to be assistant deputy administrator of the lumber code. He is now in Washington, D. C., discharging his new duties.

Ill health and dread of a serious operation were blamed for the suicide at Louisville of **W. W. Moore**, 64, former vice-president of the Inter-Southern Life, who was found dead in a bathtub at his home with a bullet wound in his temple.

Mr. Moore was a native of Brownsville, Tenn., and a graduate of the University of Tennessee. He went to

Louisville from Asheville, N. C., where he was editor of the Asheville "Citizen," and became associated with the Citizens-National Life, becoming vice-president when it was merged with the Inter-Southern. He left the company shortly after Machir Dorsey and his associates took control after the Caldwell crash. He later was quite ill and underwent a severe operation.

He was a chess enthusiast and the author of the series of chess problems which have appeared on the sport pages of the Louisville "Courier-Journal."

Dr. J. C. Humphreys, 54, director of the health bureau of the Penn Mutual Life for the last eight years, died Saturday at his home in Germantown after a week's illness. Dr. Humphreys, who was a graduate of Germantown Academy and both the Hahnemann and Jefferson Medical Colleges, served as a medical missionary in China from 1910 to 1926 under the auspices of the American Baptist Foreign Missionary Society.

J. E. Dunne, Portland general agent Lincoln National Life and Oregon state senator, is a candidate for the Republican nomination for governor.

R. P. Killebrew, a Texas agent of the Kansas City Life, had a fractured leg and was in bed when March 19, President J. B. Reynolds' birthday, rolled around. Undeterred, he got out of bed on crutches, hired a man to drive his car and before the day was over, had written 19 applications, including 100 percent family of seven.

W. M. Brucker, vice-president of the American Life, will be the principal speaker at the Army Day banquet in Detroit on April 6, at which many prominent military and business men will be present.

John H. Evans, vice-president of the Ohio National Life of Cincinnati, is paying a visit to the southwestern agencies. He will visit Kansas City, Dallas, Fort Worth, Memphis, Chattanooga and Nashville.

Mrs. Virginia Church, 73, wife of **W. Q. Church**, vice-president of the Surety Life of Kansas City, died on a train near Memphis, Tenn., while on the way home. She went to Miami, Fla., a month ago for her health. Two weeks later she suffered a paralytic stroke and her husband went to be with her.

NEWS OF THE COMPANIES

Oregon Mutual's Statement

Annual Figures Show That the Company Is Well Ballasted and Has Strengthened Its Position

Executive Vice-President W. C. Schuppel of the Oregon Mutual Life in commenting on its annual statement finds that it shows a gain of more than 18 percent in new paid business. There is also a decrease in mortality of 3.4 percent. The assets are now \$12,052,784, increase \$114,126. Its insurance in force as of Dec. 31 was \$51,901,281, decrease 4.45 percent. Substantial savings were made last year in its operating expenses. The investments are in excellent shape. The defaults in principal and interest are negligible. It has had a satisfactory experience with its mortgages. The total amount of real estate held, aside from its home office building, is \$108,275.

It has set aside a special reserve of \$50,000 to meet unforeseen depreciation. Its contingency reserves have been increased from \$190,000 to \$200,000. The surplus is \$690,062 as compared with \$646,381 a year ago. The Oregon Mu-

tual has recently issued a new policy contract to meet present day conditions known as the "Reconstruction Policy." Mr. Schuppel reports that the new business for the first three months was 50 percent in excess of the similar period last year.

Nebraska Life Is Organized

Articles of Incorporation Filed With Director Herdman—Two Lincoln Companies Protest Capital Setup

LINCOLN, NEB., April 5.—Insurance Director Herdman has been asked to approve articles of incorporation for the newly-organized Nebraska Life of Lincoln. The articles are signed by R. J. Nitky, Harry F. Hamlin, C. W. Howe and J. J. Kilgallen, all of Chicago; H. E. Worrell of Omaha, C. B. Towle, Dr. C. H. Arnold, H. B. Requette and D. W. Wood of Lincoln.

Capital is placed at \$300,000 and surplus at \$300,000. The total capital and surplus are to be represented by a mortgage covering a 99-year leasehold on the McKnight office building in Minneapolis. Mr. Nitky is the holder of

CHARACTER

Reputation is what others think of us, character is what we really are, and he who sacrifices character to uphold reputation builds but upon shifting sands. Institutions, like individuals, have both reputation and character and, while reputation may spell temporary financial success for the organization, it is character which will determine the ultimate well-being of its members.

Character, in an institution, implies lofty ideals unflinchingly pursued; the habit of doing just a little more than the letter of the contract guarantees; observance of the principle that service can surpass sheer duty; tolerance toward the frailties of human nature combined with knowledge that the rights of one terminate where another's begin; an integrity to purpose that stands firm against the attacks of greed, false ambition, and unjust prejudice; a belief in the eternal necessity for fair play.

Character is the philosopher's stone that transmutes the commonplace dross of business dealing into golden nuggets of pleasant association.

AMERICAN CENTRAL LIFE INSURANCE COMPANY INDIANAPOLIS - - - INDIANA



\$50,000 Life Application Due to Accident Insurance

With a recent application for \$50,000 of life insurance the agent sent a letter stating it was the direct result of the applicant's satisfaction with the Company's handling of his claim for accident insurance benefits.

Similar instances occur daily. Connecticut General men regularly use accident insurance sales to prepare the way for an intelligent presentation of life insurance. Our accident insurance is up to the minute.

**Connecticut General
Life Insurance Company
Hartford, Conn.**

the mortgage and intends to turn it over to the company in payment of major stock interest. H. E. Worrell, former secretary of the Omaha Life, is to be president.

Protests against approving the articles have been filed by W. E. Barkley, president Union National Life of Lincoln, and E. B. Stephenson, president Security Mutual Life of Lincoln, on the ground that the value of the leasehold is not sufficient to justify the sum set up for capital and surplus, that it is inferior to the claims of the actual owner for annual rentals, and hence is the equivalent only of a second mort-

gage. They also object to absentee ownership of control.

Mr. Herdman sent E. H. Schroeder, Lincoln realty expert, to Minneapolis, and he describes the building as finely located and one of the largest in the city, well worth \$1,200,000. Mr. Herdman suggested that an additional \$25,000 in cash be provided for surplus, and this has been agreed to. Issuance of license is being withheld for further investigation, but Director Herdman indicated that he would approve it unless a hearing on the objections is demanded.

Harry Hamlin was formerly a mu-

nicipal court judge in Chicago. Mr. Howe was formerly president of the Old Republic Life of Chicago, now the Old Republic Credit Life.

Scranton Life Increases

Vice-President R. Merriman of the Scranton Life reports that paid business for the first three months of 1934 is 23 percent ahead of the same figures in 1933. Each month has shown a satisfactory improvement. More policies in smaller amounts are being written, which is regarded by the Scranton Life as a healthy condition.

The leading Philadelphia agency under Benjamin Freifelder shows an increase of 43 percent in paid business for the first three months. This is in spite of the fact that his former star producer is no longer connected with the company.

Pioneer Mutual Licensed

The Pioneer Mutual Life of St. Paul, organized by Gustaf Lindquist and associates as an assessment benefit association, has been licensed. Mr. Lindquist is a former Minnesota commissioner and for the past 15 years has been identified with various Minnesota companies. Associated with him in the new company are C. E. Elmquist, former state railroad commissioner and a prominent St. Paul attorney, and H. P. Smith of St. Paul, former general agent of the Great Western of Des Moines.

Dallas Company Men Indicted

J. M. Walters, president; Charles Northcott, general manager, and C. S. Baker, former president of the Metropolitan Guaranty Reserve Mutual Life of Dallas, Tex., were indicted on four counts each by the grand jury in Dallas, charged with theft over \$50, embezzlement, theft by conversion and violation of the state insurance laws. The indictments grew out of an alleged shortage of \$20,000 in the company's funds. It was found death claims against the company amounted to \$17,000 and there was nothing to pay with.

Fitzgerald Visits Peoria

Vice-President Edmund Fitzgerald of the Northwestern Mutual Life spoke this week at a meeting of agents in Peoria, Ill., territory. He discussed especially investment features. R. O. Becker, general agent, was host at a dinner which included a number of Peoria business men, Russell Thierbach, assistant superintendent of agents of the company, conducted an all-day sales congress.

Changes in A. I. U., Inc.

William B. Edwards of Chicago has been elected a vice-president of the American Insurance Union, Inc., of Columbus, O. Margaret Shively was elected actuary to replace C. J. West. L. E. Bilger has been elected assistant counsel.

Subject to Liquidation Act

Following an examination, Insurance Director Palmer of Illinois announces that the Bankers Insurance Corporation of Chicago has become subject to the liquidation act of Illinois. The concern, he states, is not being operated in accordance with the provisions of the fraternal act under which it is licensed; it is not in a position to meet its outstanding obligations since it has liabilities of \$1,308 in excess of assets. Assets consist only of assessments due and unpaid in the amount of \$101 and at the same time it has an over-draft of \$78. The books and records have not been properly maintained and directors and officers are holding office illegally and the number of members does not meet with organization requirements of the law.

The concern was organized as the American Friendly Society in 1904 at Urbana, Ill. In 1909 the name was changed to the Coin Exchange Insur-

ance Company and the offices were moved to Chicago. In 1913 its present name was taken. J. M. Minnec is president; C. C. Pickett, vice-president, and Mrs. A. M. Minnec, secretary-treasurer. Minnec told the examiners that two subordinate bodies were being organized, Knights of Pulaski and Booker T. Washington.

The society has been operating in violation of the fraternal act, inasmuch as its insurance was solicited through sources other than organized subordinate lodges. The membership totaled only 148 representing \$61,550 insurance in force. It wrote some accident and health. The fraternal act requires that membership after a year's existence must be more than 300.

The officers and directors are charged with illegally holding office since none of them are members of the society.

New Actuary for Union Mutual

R. A. Anderson, actuary of the Union Mutual Life of Des Moines, has resigned to accept a similar position with the Royal Neighbors of Rock Island, Ill. E. V. Hoff has been appointed to succeed Mr. Anderson with the Union Mutual Life. He is a graduate of the University of Iowa, receiving master of science degree in actuarial mathematics. He studied under Dr. H. L. Rietz, head of the department of mathematics.

Capital Provision Changed

The charter of the Tennessee Life of Knoxville, which is in process of organization, has been changed to provide for \$337,500 capital, divided into 67,500 common shares of a par value of \$5.

Judd Named Vice-President

L. W. Judd, Little Rock, Ark., has been elected an active vice-president of the National Aid Life of Oklahoma City. He will have direct charge of Arkansas business and will have offices in Little Rock and Oklahoma City.

Life Company Notes

The Bankers Life of Iowa paid out \$1,895,973 in policy payments in February. Of this \$631,000 was death losses and \$1,264,973 was paid to living policyholders. Death losses during the month totaled 209.

The All States Life of Montgomery, Ala., has announced a 25 cent dividend. This is the first cash dividend paid since the company was organized about five years ago. Two years ago the company paid a stock dividend.

The Granite City Mutual Life, operating on the assessment plan, has been organized at St. Cloud, Minn. A campaign is in progress to get the 300 members required before license may be issued. Paul Ahles is president and A. G. Wedge secretary-treasurer.

"Ad" Conference N. Y. Meeting

A. H. Reddall, secretary-treasurer Insurance Advertising Conference, has been appointed by President H. H. Putnam to be in charge of arrangements for the annual informal conference in New York City in May. The conference will probably take place the latter part of the week of May 21.

Production Records Set in Special Week Drive

During financial independence week the western Pennsylvania department of Reliance Life reports that all records for a single week's business were broken, its agents writing 438 applicants for a total volume of \$1,324,135. The department's business for the week totaled more than that for the entire month of March, 1933. The Edward A. Woods agency of the Equitable Life of New York reports a grand total of \$5,544,150 for the week, representing 720 applications. This included seven for group insurance amounting to \$3,182,000, and 713 others for \$2,362,150.

The Saginaw, Mich., Association of Life Underwriters 25 members paid for \$515,500 business during the week, while Atlanta, Ga., agents wrote \$2,826,673.



900 ROOMS TO CHOOSE FROM . . . AT RATES as Low as \$2⁰⁰ per day

SOME rooms command as much as \$10—but all have private bath, circulating ice water, tip-eliminating servidors and box-mattressed beds. Shelby suites are out in front, too—they're second to none in Detroit—they're economically priced—\$6 to \$25. The Shelby is conveniently located in the heart of downtown Detroit—near the shops—theatres—principal office buildings and transportation depots.

Lobby Shops. Masseur parlors for ladies and gentlemen. 3 popular priced restaurants. Garage.



HOTEL Fort Shelby

MAYNARD D. SMITH
President
DETROIT

"AGLOW WITH FRIENDLINESS"

LIFE AGENCY CHANGES

Get Guarantee Mutual Life

J. P. Farmer and W. F. Warrick Have Been Appointed Chicago General Agents of the Omaha Company

James P. Farmer, for a number of years general agent of the National Life, U. S. A., Chicago agency, and W. F. Warrick, former assistant manager of the agency, have been appointed Chicago general agents by the Guarantee Mutual Life of Omaha. The Farmer & Warrick agency has opened offices at 1924 Bankers building, and will operate as an independent Guarantee Mutual unit in the Chicago area. The company's Chicago branch office in the 100 West Monroe building, which has been under the supervision of Sam B. Starr, Jr. for the past six years, will be continued as heretofore.

Mr. Farmer has had more than 30 years' experience in the life insurance field, with an outstanding record as a large personal producer as well as that of an efficient agency builder. He started with the Prudential, then from 1918-27 was general agent of the Michigan Mutual Life. He went along as agency manager when that company's business was taken over by the National Life, U. S. A. Mr. Warrick's insurance career covers a period of 22 years; first as cashier for the Michigan Mutual and, after the company was merged with the National Life, U. S. A., in 1927, as field manager and producer in Mr. Farmer's Chicago agency.

Gardiner Gets Home Life

Well Known Northwestern Mutual Assistant General Agent at Baltimore Secures High Place

H. W. Gardiner has been appointed general agent of the Home Life of New York in Baltimore succeeding E. J. Becker, who recently resigned. Mr. Gardiner, while a comparatively young man, has had an outstanding experience in the life business. He entered the field originally in Oklahoma, majoring in corporation law, and graduated in 1925. He became associated with the Northwestern Mutual Life at that time in its Oklahoma City office, starting as an agent and very shortly becoming supervisor. In 1930 he moved to Baltimore as assistant manager of the Northwestern Mutual. He has held that position to the present time, particularly devoting his time to preparing and training new men for the business. He has also continued personal production work in addition to the managerial duties. He is an accredited C. L. U.

His territory will embrace not only Baltimore but adjacent counties in Maryland.

W. B. Evans

W. B. Evans has been appointed Arkansas manager for the Great Southern Life with headquarters at Little Rock. He succeeds C. C. King, recently resigned to become field representative of the John Hancock Mutual. Mr. Evans has been connected with the Great Southern for about two years. Formerly he was sales manager of the Arkansas Power & Light Co.

W. F. Going, D. J. Duncan

The Walter F. Going general agency of the Southeastern Life at Columbia, S. C., has been converted into a branch office with Mr. Going as manager. D. J. Duncan, formerly state manager for Kentucky and West Virginia for the Southeastern, has been established in Knoxville, Tenn., as field supervisor in Kentucky and eastern Tennessee.

Hartigan Gets Girard Life

New Chicago Manager Has Been in the Business There for Twelve Years

R. J. Hartigan has been appointed Chicago general agent of the Girard Life of Philadelphia and its office is being moved to 931-3, 208 South LaSalle street. It has increased its space in order to provide for larger activities in the city. Mr. Hartigan has spent all his insurance life with the Continental Assurance and Continental Casualty of Chicago, starting as a broker. He began specializing on life insurance, joining the branch office in the city and later being connected with the home office as a producer. He has had admirable training and experience extending over 12 years. Superintendent of Agents George A. Adsit has been in the city arranging for the new management. The Girard Life home office is opposite Independence Hall. It is one of the conservatively managed companies with Albert Short as president. Mr. Hartigan attended Loyola University in Chicago before going to the war.

Myer Harrisburg Manager

Mutual Life of New York Home Office Man Transferred in Territory Readjustment

The Mutual Life of New York has appointed R. E. Myer manager in Harrisburg, Pa. For three and a half years he has occupied an important position in the agency department at the home office. Mr. Myer has been with the company since 1921, when he became district manager at Elmira, N. Y. He previously was with the Provident Mutual.

He qualified regularly for the Mutual Life's \$250,000 field club and made the honor roll 114 times for amount of business written or number of lives insured. In October, 1930, he was called to the home office to organize and put into effect a successful plan for distribution of literature, training course material and sales helps through managers.

Mr. Myer was born in Wyalusing, Pa., and has a degree from the Wharton School of Finance & Commerce, University of Pennsylvania. He has been active in association work and is past president of the Elmira Life Underwriters' Association.

The Mutual Life agency at Harrisburg, located at Market and Third streets, was established in general readjustment of agency territories in Pennsylvania.

Best to Head Omaha Agency

Union Central Life Shifts Its Assistant Manager at Little Rock to Nebraska

Harry O. Steel has relinquished the active direction of the Omaha agency of the Union Central Life, retaining his position as general agent while Earle E. Best of Little Rock has been appointed agency manager. Mr. Steel, general agent for 24 years, will now devote an increasing amount of his time to the large clientele. Under his direction, the Omaha agency recorded an increase of 29 percent in paid-for business in 1933. At the end of February, the agency was 18 percent ahead of the first two months of last year, while the March record showed further gain.

Mr. Best served as assistant manager of the Union Central agency at Little Rock since May, 1931. He was in the banking business in Arkansas for many

WELCOME! TO GREENSBORO

Southern Round Table Life Advertisers Association

• Please consider this as an invitation to visit our Home Office during your stay at Sedgefield Inn, April 9, 10 and 11.

JEFFERSON STANDARD LIFE INSURANCE COMPANY

Julian Price, President

A. R. Perkins, Agency Manager

GREENSBORO, NORTH CAROLINA

AN OLD-LINE LEGAL RESERVE COMPANY



Greater Opportunities —for Aggressive Agents

No company in America offers agents greater 1934 opportunities than this progressive, 37-year-old institution:

Financial stability. Assets over \$1,500,000.00 above legal requirements.

Modern policies. A portfolio of 32 custom built contracts designed for today.

Result-getting sales plans, keyed to agents' needs.

An aggressive new business program. Real selling assistance from the home office.

Ask us about Agency Managerships open in Eastern Missouri, Western Iowa, and Oklahoma.

YEOMEN MUTUAL LIFE INSURANCE COMPANY

A. H. HOFFMAN, President

Home Office: Des Moines

years before entering life insurance work in 1926. In 1930 he was appointed assistant banking commissioner for Arkansas. In May, 1931, he returned to life insurance and joined the J. J. Harrison Little Rock agency.

Carl A. Merkel

Carl A. Merkel has been appointed manager of the Cincinnati territory of the Columbia Life of that city with headquarters at its home office. He has been in organization work for the last 20 years, having spent a good part of his time with the sales department of the Hudson and Essex cars in Cincinnati.

W. D. Lumpp

W. D. Lumpp has been appointed general agent of the Bankers Mutual Life of Freeport, Ill., in St. Louis. He has been in the business for over 25 years. He will have his headquarters at 1026 Chemical building. He succeeds D. F. Baker, who goes to Kansas City, Mo.

M. L. Zacha

M. L. Zacha, real estate man, formerly with the Southern Union Life, has been appointed general agent of the Minnesota Mutual Life at Lubbock, Tex.

Lloyd A. Franck

Lloyd A. Franck has been appointed general agent of the Franklin Life at Peoria, Ill. He has been connected with the R. W. Somers agency of the Continental Assurance in Chicago as assistant general agent. This is a new office in Peoria, resulting from consolidation of several territories. Mr. Franck used to live in that city.

Gail W. Furness

The Guarantee Mutual Life has appointed Gail W. Furness manager of the eastern Nebraska division, which includes a second Omaha agency and district agencies in the eastern part of the state. He has had several years' life experience. He is the brother of Guy H. Furness, assistant superintendent of agencies.

S. J. Sondheim

Manager A. R. Allen of the Union Central Philadelphia agency has appointed S. J. Sondheim district manager with headquarters in Reading, Pa. Mr. Sondheim formerly owned and operated the largest children's clothing store in Reading. As president of the Berkeleigh Country Club of Reading, Mr. Sondheim's contacts are very extensive. A new office to handle business in the Reading district has been established at 43 North Sixth street.

Life Agency Notes

H. S. Reynolds, well known Toledo, O., business man and former president of its First National bank, has joined the Connecticut Mutual Life under Milton Sherman, general agent.

Dennis Kuenig, Jr., of Wagoner, Okla., has been appointed general agent of the Pyramid Life of Kansas City in Oklahoma and will have a number of counties in the eastern part of the state. He has grown up in Oklahoma and has had eight years' life insurance experience.

E. L. Moore, formerly in charge of the agencies in Kansas for the Liberty Life of Topeka, is in charge of the new branch office of the company just opened at San Antonio.

John W. Yates, Los Angeles general agent Massachusetts Mutual Life, has appointed W. M. Hamilton manager of the Wilshire boulevard branch, J. H. Godwin, former manager, becoming assistant general agent at the downtown agency headquarters in charge of recruiting and research.

LIFE COMPANY CONVENTIONS

Plan Three Zone Conferences

Northwestern Mutual General Agents to Meet in Chicago, Long Beach and Colorado Springs

MILWAUKEE, April 5.—Returning to the plan of former years, three zone conferences will be held by the General Agents Association of the Northwestern Mutual Life this spring, the first at the Edgewater Beach hotel in Chicago, April 11-13, for general agents in the central zone. The eastern conference will be held at Long Beach, L. I., April 24-26, and that for the western area at Colorado Springs May 9-11. Due to general conditions last year and at the request of President M. J. Cleary, who would have found it impossible to attend three separate meetings at widely spread points, one general meeting was held last year in Chicago. President Cleary will speak at the conferences this year. Grant L. Hill, director of agencies, and W. R. Chapman, assistant director, will represent the agency department. Other assistant directors will attend zone conferences according to their respective territorial assignments for this year.

Open Forums Featured

These programs will be identical for the three zones, except for the general agents participating, with open forum discussions the first two days. The first day topic will be methods of getting better results from the present agency organization. The second day will deal with problems incidental to securing, training and supervising new agents, particularly in the use of new sales aids furnished by the company.

The third day will be the home office day and will develop ways and means of capitalizing on enlarged underwriting opportunities. Mr. Hill will close each conference with a summary of accomplishments to date and plans for the future.

A. C. Hoene, Duluth, is president of the General Agents Association and will attend all of the conferences. L. E. Allen, Atlanta, is vice-president for the eastern zone; B. J. Strumm, Aurora, Ill., central, and C. A. Schroeder, Denver, western. R. H. Pickford, Cedar Rapids, Ia., is secretary-treasurer. The keynote speaker in Chicago will be C. H. Poin-dexter, St. Louis. C. L. McMillen, New York City, will keynote the eastern conference, and F. L. Mann, Omaha, the western meeting.

Meetings in Two States

Agency meetings of the Continental Assurance in two territories, Michigan and down-state Illinois, were held with a delegation in attendance from the home office. Executive Vice-president G. F. Claypool and M. D. Phipps, superintendent of agencies, attended the meeting in Grand Rapids, in company with R. B. Smith, agency supervisor for Michigan. All of the Michigan agencies were represented.

A meeting honoring Agency Supervisor J. V. Hines of Chicago, in charge of down-state Illinois territory, was held in Peoria Wednesday night, Messrs. Claypool and Phipps, and John Parker, assistant to Mr. Phipps, attending and speaking. The down-state agencies have been conducting a "Volume for Vick" campaign in honor of Mr. Hines. Agents from Springfield, Peoria, Bloomington, Kewanee and Rockford attended.

AS SEEN FROM CHICAGO

AMERICAN BANKERS DISPLAY

The window display of the American Bankers in its building at Wabash and Ohio streets, Chicago, during Financial Independence Week, attracted especial attention. The display in one window was captioned "What Life Insurance Means to the Average Person," surrounded by such things as policies, applications, canceled checks, premium notices and collection letters. Contrasted with this was the display in another window showing "What You Own When You Buy Life Insurance."

TREBLES USUAL PRODUCTION

The Spaulding agency of the Mutual Life of New York trebled its usual business during financial independence week, and the record of applications for March exceeds that of any month since 1928. The agency is running a ten weeks' course of instruction Tuesday nights, with 50 agents in the class.

HOBART & OATES RECORD SALES

The Hobart & Oates general agency in Chicago of the Northwestern Mutual Life, which very infrequently conducts an agency contest, has recorded unusual results in an "Old Timers vs. Challengers" campaign, March-May inclusive. The agency wrote \$1,890,000 of business in March, the largest month's production in two and a half years. There are 115 agents participating. The "old timers" are agents connected with Hobart & Oates continuously for more than ten years, there being 39 who so qualify. While the "challengers" so far are in the lead with \$545,770 paid-for, the "old-timers" with only half as many men have paid for \$532,996. Leading agents among the "old-timers" are Frank Morse who paid for \$100,000 in

March, and H. W. Shedd, who paid for ten lives; and among the "challengers," Philip Moore paid for \$51,107 and H. L. Maltenfort, 21 lives. The captain of the "challengers" team is M. J. Vanderhyde and of the "old-timers," L. E. Weil. The campaign was originated by the agents and none of the staff men are on the team or in charge. The contest will end with a dinner and field day in June.

WEEDING OUT THE MOURNERS

Chicago managers of life companies are inclined to feel that the salesmen that are sticking with them have been tried by fire and not found wanting and are able now to carry on, though some of them may be doing so in a rather lagging way. Some of the general agents found that certain of their old time salesmen sank back and lived on

President Anderson Is Also Leader in Business

Despite the requirements on his time as president of the National Association of Life Underwriters, C. Vivian Anderson, has paid for \$442,000 of new business since Jan. 1. This was announced at the Denver sales congress. Mr. Anderson attributes the achievement to specializing in the study of wills and uses this as a sales approach. Mr. Anderson has given his talk on "Have You Made Your Will?" before many local associations. He is an agent with the Provident Mutual Life in Cincinnati.

their renewals feeling that it was impossible to write much new business. They had a bad effect on the agency as a whole. Some general agents went so far as to get rid of all these lachrymose salesmen because of their depressing effect on the other men.

News of Pacific Coast States

Harrop Agency Takes on Three Offices in Contest

A campaign, wherein three far west agencies of the Equitable Life of New York are pitted against the James Harrop agency of that company at Salt Lake City, was launched Monday of this week and will run to April 28. The agencies which are matched against the Harrop office are those of T. Howard Groves at Portland, C. J. Sauter at Seattle and C. H. McCoy at Spokane.

A handicap of 50 applications is given the Harrop agency by the combined opposition. The winner is to be decided on a basis of written and completed applications only. Awards will be made by the four agency managers to the agents who submit the most cases and additional awards will be made to the leading agents within each office and in the unit. Awards will be made to unit managers whose districts have outstanding records in number of cases forwarded and who have 100 percent participation by their agents.

Mr. Groves on March 21 completed his 10th year as an Equitable manager and his agency put over a one day drive as a testimonial. He result was 30 applications from 26 agents for a total of \$75,000.

The agency also held a testimonial of appreciation contest from Feb. 1 to March 3 with the result that 51 men produced 173 applications for a total of \$407,000.

Insurance Legion Post Elects

SAN FRANCISCO, April 5.—Howard Armstrong, Fireman's Fund, was elected commander of Insurance Post 404 of the American Legion at the annual meeting. Mr. Armstrong, who served as adjutant the past year, succeeds W. L. Reaveau, Occidental.

W. L. Wallace, Pacific National Fire, was reelected first vice-commander; Joe Connelly, General of Seattle, second vice-commander; George Frahm, Hartford, third vice-commander; Charles Landresse, London Assurance, fourth vice-commander and Frank W. Bland, THE NATIONAL UNDERWRITER, fifth vice-commander.

Other officers elected are: Bernard Chapin, Rathbone, King & Seelye, adjutant; Frank Ingersoll, National Automobile Theft Bureau, finance officer; Eric Faulkner, insurance attorney, judge advocate; Ben Springstein, Hamilton & Co., historian, and William Pipey, adjuster, chaplain.

Pacific Mutual Conference

LOS ANGELES, April 5.—A conference of southern California general agents and managers of the Pacific Mutual Life with officers was held here. D. C. MacEwen, vice-president and superintendent of agencies, presided. Agency and production problems were discussed.

Heads Pennsylvania Committee

E. H. Schaeffer of Harrisburg, Pa., manager of the Fidelity Mutual Life, and a member of the executive committee of the Pennsylvania Insurance Federation, is general chairman of 1934 Pennsylvania Insurance Days, which will be held in his city May 24-25 under the auspices of the federation.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Offers Additional Dividends

Guarantee Mutual in Liberal Move, Allowing Participation in Third and Fourth Years

The Guarantee Mutual Life of Omaha, which when it changed to old line from assessment basis started writing a series of standard contracts with unusually low gross rates, in view of which the dividends were not obtainable until at the end of the fifth year, announces third and fourth year dividends on these policies.

When the present premium basis was decided upon, it was believed due to the low premium charge the dividend could not be paid until the end of the fifth policy year. It has been found, however, that cost of issuing and carrying the policies is less than had been anticipated, and the company has been forging ahead much more rapidly from a financial standpoint than was expected. These facts, with substantial advance in surplus caused directors to take the dividend action.

No change has been made in dividends payable at the end of the fifth and subsequent policy years. The result therefore is lower net cost. The third and fourth year dividends on several more popular policies are:

Age	End. 20	20 Yr. End. 65	Pure 20	F. Inc. 20
20.....	\$1.26	\$0.76	\$0.50	\$1.09
25.....	1.37	.98	.50	1.24
30.....	1.44	.92	.50	1.13
35.....	1.47	1.06	.50	1.30
40.....	1.39	.86	.50	1.08
45.....	1.51	1.09	.56	1.26
50.....	1.35	.82	.50	.91
55.....	1.51	1.10	.63	1.17
60.....	1.35	.85	.50	.74
65.....	1.56	1.18	.79	1.09
70.....	1.46	.98	.58	.68
75.....	1.75	1.37	1.09	1.09
80.....	1.75	1.34	1.04	.50
85.....	2.11	1.80	1.58	1.05
90.....	2.19	1.89	1.71	.50
95.....	2.65	2.40	2.27	.59
100.....	2.79	2.64	2.48	...
105.....	3.32	3.19	3.06	...

Start New Teachers Mutual at Seattle Under New Law

SEATTLE, April 5.—The first mutual life company formed in Washington under the authorization of an act passed at the recent special session of the legislature will open for business April 13, when the new law becomes effective. The new company is the Teachers Insurance Company. Officers include J. O. Rummens, president; J. P. Fordyce, vice-president; Josephine C. Preston, secretary, and F. V. Donnelly, treasurer. Mr. Rummens was formerly

SWINDLERS AT WORK

Complaint has been received that swindlers are collecting renewal subscriptions to The National Underwriter, frequently offering a reduced price inducement to get the cash or a check. One check, made payable to "National Underwriter," came back to the victim endorsed "National Underwriter, Harry Francis, Crew Manager."

Representatives of The National Underwriter are always able to identify themselves. They do not seek to collect renewal subscriptions and they do not offer price inducements on new or old subscriptions.

deputy insurance commissioner and an actuary; Mrs. Preston is a former state superintendent of public instruction and an ex-president of the National Education Association. Mr. Fordyce is an insurance executive of some 23 years' experience. Mr. Donnelly was for many years inspector of claims in the state insurance department.

Other incorporators are: Dr. T. T. Manzer, long experienced as director and examiner for insurance companies; W. W. Bird, University of Washington; G. A. Lovejoy, Seattle insurance man; H. E. Foster, Olympia attorney, and F. J. Brown, Thurston county school superintendent.

Headquarters of the new company have been opened in the Insurance building, Seattle. It is the intention of the company to confine its attention for the present to teachers in schools and colleges.

Phoenix Mutual Dividends

The Phoenix Mutual announces a new reduced dividend schedule, effective July 1, 1934. Illustrative gross premiums and net costs for several more popular policies, age 35 at issue, are:

3 1/2 Percent Policies		Dividend Year				
Plan	Prem.	1st	5th	10th	20th	
S. S.—O. L...	23.10	20.90	20.49	20.06	20.00	
S. S.—20 Pay	31.19	28.12	28.55	27.83	26.68	
S. S.—20 E...	44.92	43.05	42.21	40.99	37.95	

3 Percent Policies		Dividend Year				
Plan	Prem.	1st	5th	10th	20th	
End. 85.....	27.54	22.74	22.04	21.19	20.14	
20 P., E. 85..	37.16	32.35	31.27	29.79	26.72	

Enters Two New States

The Old Republic Credit Life of Chicago has been licensed in Virginia and North Carolina and has made contacts with a number of industrial banks in those states to insure the borrowers during the period of the loan. The company has withdrawn from Nebraska.

To Have New Home Office

The Cosmopolitan Life, Health & Accident of St. Louis has purchased for its home office a three-story residence at 3700 Delmar boulevard. Alterations are being made in the 14-room dwelling to adopt it for home office use. The company is now at Jefferson avenue and Olive street.

Manufacturers' Life, Canada

Reductions in cash surrender values and higher rates for investment policies such as deferred annuities are announced by the Manufacturers' Life of Canada. Several new policies have been introduced, including a more flexible retirement annuity contract.

Pacific Mutual's Average

Last year the average policy of the Pacific Mutual Life was \$3,000. In 1932 it was \$3,400; in 1931, \$3,630; in 1930, \$3,670; in 1929, \$3,350.

May Not Continue Exhibit

Apparently the Association of Life Insurance Presidents and American Life Convention will not continue the life insurance exhibit in the Century of Progress Exposition at Chicago this year. These two organizations maintained an impressive presentation in the Hall of Social Science last year and it attracted much attention.

B. R. Reed, agent for the Kansas City Life in Oklahoma, wrote 51 applications in the first 23 days of March.

KEEP TIME WITH TIMES

our new
CASH VALUE
ANNUITY OPTION
provides
RETIREMENT
ANNUITY INCOME
FOR LIFE
(No Extra Cost)

BANKERS NATIONAL LIFE INSURANCE CO.

Ralph R. Lounsbury
President

Bankers National Life Building

Wm. J. Sieger
Vice Pres. & Supt. of
Agencies

JERSEY CITY, NEW JERSEY

(The Company with the attractive Agency Contract)

"Turn Olden Days Into Golden Days!"

WITH

Berkshire Life Annuities

Single Premium Immediate Annuity—with cash refund option or without refund option—or with installment refund option.

Joint and Survivorship Annuity—without refund.

Single Premium Deferred Life Annuity—without refund.

★ Single Premium Retirement Annuity (Deferred) without refund option or with installment refund option.

★ Annual Premium Retirement (Deferred) Form 930, without refund option or with installment refund option.

★ Return Premium Retirement Annuity.

★ The Accumulative Annuity.

★ Participating.

14
Forms
Available

"Ask Any Berkshire Agent"

Berkshire Life Insurance Co.

Incorporated 1851

Fred H. Rhodes, President

PITTSFIELD, MASS.

Cornerstone

Reliance men recognize the broad significance of the slogan, "The Cornerstone of Man's Financial Structure—Life Insurance". In addition, they realize that the STABILITY of Reliance—strength which the depression has served to emphasize—and the SECURITY behind Reliance policies, are attributes which make a Reliance affiliation the cornerstone of their own independence.

Ask B. M. Hixson
San Antonio, Texas
—representing Reliance Life
for more than 15 years.



RELiance LIFE

SECURITY Seals every Reliance Policy

Low Cost Policies for Protection Retirement Income Endowments

PAR AND NON PAR

AGE 0 TO 65

A Policy for Every Need

A General Agent's Contract that rewards successful performance. Desirable territory available.

PHILADELPHIA LIFE INSURANCE COMPANY

111 North Broad Street
Philadelphia, Pa.

Wanted: Managerial Material

BUFFALO MUTUAL LIFE INSURANCE COMPANY

for the States of New York and Ohio

Men who would make good local and district managers in various territories in New York and Ohio are wanted by this 62 year old company... to start agents. Write in confidence with details of experience to E. Parker Waggoner, Supt. of Agents, Buffalo.

Do your fellow agent a good turn—get him acquainted with
The National Underwriter, the real insurance newspaper.

NEWS OF LIFE ASSOCIATIONS

Denver Sales Congress Held

Colorado Association Hears Anderson, Patterson, O. S. Cummings and H. J. Cummings on Sales Suggestions

DENVER, April 5.—At the annual sales congress of the Colorado Association of Life Underwriters President C. Vivian Anderson of the National association and other national figures spoke, including: A. E. Patterson, Chicago general agent Penn Mutual Life, on "Mediocrity," O. S. Cummings, Dallas, Tex., general agent Kansas City Life, on "Modern Prospecting," and H. J. Cummings, vice-president Minnesota Mutual Life, on "Three in One."

Mr. Anderson told of his success in using the study of wills as a sales approach. He challenged his listeners with a great responsibility, telling them that 87 percent of all people who die leave nothing but their life insurance, Mediocrity in a man, Mr. Patterson declared, is exposed by his pessimism. Mr. Patterson outlined a program designed to help the men of his agency keep out of the mediocre class. He believes they will not get anywhere unless they ask their prospects to buy five times during an interview before giving up. His office has sold 4,900 cases in two years, 84 percent of which were for less than \$10,000 each. Unless a man can produce and pay for two new cases a week he can't stay in the life insurance business, Mr. Patterson declared.

More agents fail through improper selection of prospects than sales presentation, according to O. S. Cummings. Results of an extensive questionnaire, he said, convinced him that former policyholders, that is, those who lapsed during the depression are a gold mine for new business. As times change the agent must change his methods of work, Mr. Cummings declared. Developments of recent times, he said, require that he present life insurance more in the light of investment; that he must work longer hours, and must keep additional records in order to select a higher quality of prospects.

It is a serious mistake for the agency manager to offer new agents the inducement that his time will be his own, in the opinion of H. J. Cummings. He said that the rawest deal he had ever gotten in the life insurance business was from the superior who had allowed him in his early career to putter along for three years with a production of only \$50,000 to \$60,000 per year.

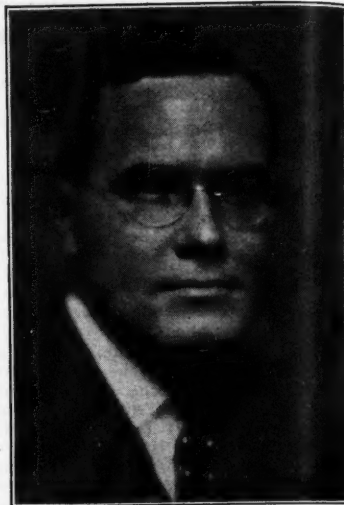
New York City.—James A. McLain, vice-president Guardian Life, an outstanding agency executive and an inspiring speaker, will address the April meeting. The other address will be given by Felix Levy of the R. G. Engelsman New York City agency of the Penn Mutual Life. Mr. Levy led the Penn Mutual in personal production for 1933 and has a record of eight consecutive years of top-notch production.

Cedar Rapids, Ia.—The association, under leadership of President M. M. Thompson, sponsored many activities in financial independence week, starting with a breakfast. Clark Beems, president Metropolitan Supply Company, Cedar Rapids, spoke on "What of Tomorrow?"

Peoria, Ill.—At Friday's meeting Assistant Superintendent of Agencies G. F. Ream of the Mutual Benefit Life, was the guest speaker. J. W. Ross, vice-president of the association, was in the chair. W. S. Cochrane, general agent for the Mutual Benefit, introduced Mr. Ream.

Los Angeles.—At a sales congress C. Vivian Anderson, president National association, discussed "Have You Made Your Will?" A. E. Patterson, Chicago, general agent of Penn Mutual Life and third vice-president of the National association, spoke on "Mediocrity." John W. Yates, general agent Massachusetts

Gives Address



JAMES A. McLAIN

Vice-president James A. McLain of the Guardian Life, one of the leading agency executives of the country, will be the April speaker at the New York Life Underwriters Association meeting.

Mutual Life for southern California talked on "Love Your Business." Other speakers were: C. A. Bundy on "Bridges and Abutments," and V. M. Eckdahl, Swift & Co., on "Advertising—Contact and Selling."

Pensacola, Fla.—This association shows over a 200 percent increase in membership largely due to Financial Independence Week campaign. The membership before the campaign was 16. There was much advertising run in the local papers, talks given and window displays during Financial Independence Week. The newspapers were generous in their space. R. B. Simpson is president, Morris Levy, vice-president, and R. C. Griffin, secretary.

Oklahoma City.—More than 250 were present at the joint meeting with the Chamber of Commerce to hear Secretary E. W. Owen of the National association speak. President E. W. Marshall of the Oklahoma association presided and introduced a sketch showing results of a widow left with insufficient life insurance, and another whose husband had made ample provision for her through this medium.

Southwest Texas.—E. W. Owen, secretary of the National association, spoke in San Antonio on "Thirteen Keys to Success."

Greeley, Col.—Isadore Samuels, Denver general agent New England Mutual spoke on "Depression Selling."

Cleveland.—C. V. Anderson, president National association, will speak April 28. Officers, committees and directors will meet April 6 to review progress to date and adopt plans for the rest of the year. On April 1 the association had a membership of 556 as against 375 Jan. 1.

Calumet, Ind.—When R. B. Hull, managing director National association, speaks in Gary, April 26, every member of every luncheon club in Gary, Hammond, Whiting and East Chicago will be invited to the dinner. He will speak in South Bend, Ind., just before the Gary meeting and in Lafayette May 2.

Fort Worth, Tex.—E. W. Owen, Detroit manager Sun Life and secretary of the National association, spoke on "Thirteen Keys to Success."

St. Louis.—John Huckstep, Kansas City Life agent in St. Louis, won the loving cup offered by the St. Louis association for writing the largest number of applications in a three-day sales drive.

AS SEEN FROM NEW YORK

By R. B. MITCHELL

INTERESTING DECISION GIVEN

Is a life company which has waived a policyholder's quarterly premium for the first portion of the current policy year because of disability entitled to deduct the remaining three-fourths of the annual premium from the proceeds when the insured dies during the first quarter? The appellate division of the New York supreme court has ruled that a company may not make such a deduction from proceeds even though the policy stipulates that the premiums waived for disability shall be annual, semi-annual, or quarterly, according to the mode of payment in effect when disability occurred.

The court noted that the company would have a perfect right to deduct the unpaid premium had the assured died while not in a disabled condition, but stated:

"Where, as here, the company, under the terms of the policy was bound to waive the payment of premiums during the disability of the assured, and the defendant (the company) having stipulated that, at the time of the death of the assured, he was totally and permanently disabled, there was no unpaid part of the premiums for the current policy year at the time of the death of the assured."

The court held, consequently, that the unpaid three-fourths of the annual

premium never became payable, and that the company was not entitled to deduct it from the proceeds.

The case was that of Sarah Liberoff vs. Security Mutual Life. The court gave judgment for the amount of the deduction only, without interest or costs. All five justices concurred in the opinion.

* * *

SOME MARCH FIGURES

The C. B. Knight agency of the Union Central Life in New York City paid for \$2,203,780 in March as against \$2,159,629 in March, 1933, and for \$5,407,402 as against \$5,138,633 for the first three months of the year.

The J. S. Myrick agency of the Mutual Life of New York in New York City paid for \$2,079,178 last month as against \$1,907,313 for March, 1933, and for \$6,011,440 as against \$5,858,814 for the year to date.

The C. E. DeLong agency of the Mutual Benefit Life in New York City paid for \$1,313,150 in March as against \$2,003,763 in March, 1933. The agency paid for \$3,738,950 for the first three months as against \$4,645,700 for the same period last year.

The Luther-Keffer Agency of the Aetna Life in New York City paid for \$1,437,641 in March and for \$5,426,715 for the year to date.

J. E. Hall Resigns As General Agent

(CONTINUED FROM PAGE 3)

freely for consultative and research service. He will aid in establishing a monthly income sales service, available to all agencies. Income problems will be referred to Mr. Hall and his assistants, and plans and figures, drawn from Mr. Hall's wide experience, will be supplied.

Mr. Hall will continue his insurance fraternity activities.

Mr. Hall served as a clerk in the Mutual Benefit's home office in Newark, 1902 to 1909 and cashier in the State Mutual's Newark agency in 1909. From 1909-1912 he was supervisor in Newark and Philadelphia for the Reliance Life. In 1912 and 1913, for a brief period he served as general agent of the Home Life at Newark.

From September, 1913, to July, 1917, he was a personal producer for the Mutual Benefit in Newark.

From 1917, until early in 1919 he was a personal producer in the Mutual Benefit's L. A. Cerf agency in New York and assistant to the general agent. During that period he developed his great reputation as a salesman and as a closer in joint work with other agents.

Joined Massachusetts Mutual

In 1920 Mr. Hall became an associate, with his office in New York, of Frank H. Lewis, general agent of the Massachusetts Mutual in Newark.

In 1921 Mr. Hall joined the Penn Mutual as a general agent. Starting from scratch, he has built one of the greater New York City agencies, and, indeed, of the entire country, as well as of his own company. His agency has on its books one-tenth of the Penn Mutual's entire premium volume and one-tenth of its outstanding insurance, and its lapse, declined and mortality record is lower than that of the company's average.

Mr. Hall attained national reputation through his advocacy of the monthly income plan of family protection. Upon platforms of sales congresses throughout the country he has analyzed, illustrated, and forcefully presented the claims of this type of policy, and, perhaps more than any one else, has

brought it to its present popularity in protection plans.

His monthly income sales talks and figure charts were shared with all Penn Mutual representatives. His bond talk, with its figure charts, and his bank book sales talk, with its figure charts, both of them now in use, were among his contributions. His "Did You?" method of time control, tested in his agency, was passed along for general Penn Mutual use.

Favors the Full Timer

Since 1928 the energies of the Hall agency have been directed toward production by full-time agents, because experience had demonstrated to Mr. Hall that the full-time men survive alike in bad times as in good times. Despite the fact that the production of older men in other agencies had fallen off, the older men in the Hall agency gained in paid-for production in 1933.

Mr. Bethea entered life insurance in 1923 with the Aetna Life and served from 1923 to 1927 at Atlanta, Baltimore and Columbia, S. C., as its home office group representative. In 1927-28 he was that company's assistant general agent at Baltimore. In 1928 he took the full insurance course at New York University and then he became branch manager of the Pilot Life at Charlotte, N. C. He entered the educational department of the Penn Mutual as a home office representative among agencies in June, 1929. In December, 1930, the title of assistant to the vice-president signified a promotion. In August, 1931, he was appointed assistant superintendent of agencies. Appointment to the position of general agent at Cleveland came in May, 1932, and in that agency he has done first class work.

Royal Highlanders' Figures

Assets of the Royal Highlanders of Lincoln, Neb., on Jan. 1, were \$3,645,353 as compared with \$3,401,912 a year ago. Since organization in 1896, more than \$10,149,000 benefits have been paid. The fraternal carries \$1,972,665 U. S. government, municipal, school and other bonds, \$1,584,182 loans and real estate, \$41,782 policy loans and has \$40,938 cash on hand. There is \$3,529,998 in the ideal reserve fund, \$81,586 in general fund, Secretary-Treasurer C. A. Smith reports.

New Tools Meet Old Problems

Fundamental needs do not change—but conditions do. Smart merchandisers meet old problems in new ways, matching the tempo of the times. They offer new approaches, new selling angles, attractive new packages.

Fidelity Is Abreast of The Times

The Bridge Builder—a package sale. Continues the breadwinner's income through the readjustment period. The Fortifier—a depression policy. Stands midway between the usual Term policy and permanent plans. And Family Income Rider applied to the "Income for Life" policy originated by Fidelity. These new Fidelity tools meet present-day conditions.

Send for booklet, "The Company Back of the Contract"

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President

Home Town ADVERTISING for Agents . . .

The Little Red Book for 1934 contains a wealth of proven sales-getting advertising material which the agent can use in his home town.

If you are a Southland agent, write for your copy. If you're not, write to Clarence E. Linz, 1st Vice-President, or to Col. Wm. E. Talbot, Vice-President and Agency Manager, for details on the Southland agency proposition.

Southland Life Insurance Company

HARRY L. SEAY, President

HOME OFFICE . . . DALLAS, TEXAS



A General Agency of YOUR OWN

—in Iowa, Nebraska or Minnesota

This strong 28-year-old company has a number of important territories open for general agencies. We offer a complete line of modern policies, aggressive home office assistance, and a wonderful contract that is making our agents real money. If you are seeking a sound connection with a future, write.

Nearly 150% increase in insurance in force in last decade and a half

The Old Line Cedar Rapids Life INSURANCE COMPANY

Cedar Rapids, Iowa

Colonel C. B. Robbins, President

C. B. Svoboda, Secy.—Jay G. Sigmund, Vice-Pres. & Agency Director

Send 9 cents in stamps for sample copy of

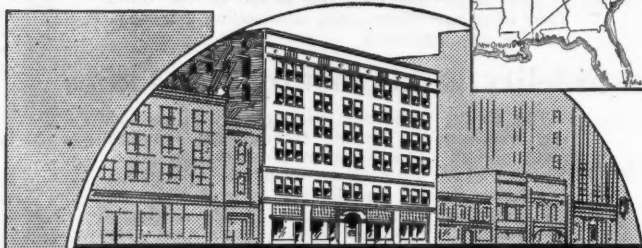
THE ACCIDENT & HEALTH REVIEW

The only exclusive accident and health paper published.

It gives ideas and suggestions that help you sell income protection insurance.

Address your inquiry to A-1946, Insurance Exchange, Chicago

Where IS YOUR SOUTHERN OFFICE?



Why not GREENSBORO in the heart of PIEDMONT CAROLINAS

As Southern as O'Henry, yet overnight from any northern metropolis.

The modern Fireproof
PIEDMONT BUILDING
In GREENSBORO, NORTH CAROLINA

offers every office facility. Floor space from 100 to 3,000 square feet in one area. Photographs and blueprints mailed upon request.

We invite your inquiry.

RICHARDSON REALTY INC.
GREENSBORO
NORTH CAROLINA

PURE PROTECTION LIFE INSURANCE

Is Not Expensive. Estimated Average Annual Cost
Per \$1000.00 Whole Life Policy

AGE—35—\$13.17

REDUCED TO THIS FIGURE BY AN EARNED DIVIDEND

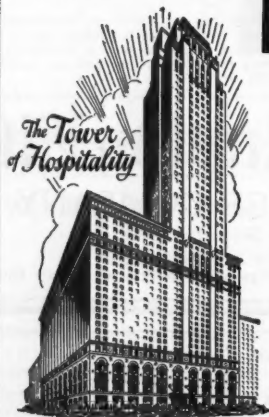
NO CASH LOAN or CASH SURRENDER VALUES
OR OTHER EXPENSIVE SO-CALLED INVESTMENT FEATURES

No Winds of Chance—No Sudden Change in the Current of Business
Affairs Can Affect the Strong Financial Position of This Company

Excellent opportunity for salesmen—Illinois, Michigan, Indiana, Missouri.

INTERSTATE RESERVE LIFE

RATE: Am. Ex., 4% + \$2.50 l'tg.
10 EAST PEARSON ST. CHICAGO



LEONARD HICKS,
Managing Director

MORE FOR YOUR MONEY

in the

MORRISON HOTEL

350 ROOMS . . at \$2.50
350 ROOMS . . at \$3.00
400 ROOMS . . at \$3.50
400 ROOMS . . at \$4.00

All with Bath, Servidor & Circulating Ice-Water

• In the Heart of the Loop
• Home of Terrace Garden

MORRISON HOTEL CHICAGO

Moral Hazard Declinations Are Forced by Conditions

(CONTINUED FROM PAGE 3)

ing written by the Pacific Mutual, the company accepting down to age 10. The risks must be from good moral families, he said. Family finances must be adequate to give the child good food, clothing, schooling, training, etc.

Vice-President F. R. Woodbury and Treasurer Howard Dudley, together with R. N. Rafferty of Chicago, eastern agency supervisor, made the tour, holding conferences in New Orleans, Birmingham, Atlanta, Tampa, Richmond, Philadelphia, Cleveland, Detroit, Indianapolis and Chicago, contacting 36 general agencies. General Agent E. E. Henderson of Chicago presided there. It was a gathering as well of the general agencies of Miller & Miller and F. P. Cummings.

A second delegation will start from the home office April 9, consisting of Vice-Presidents Douglas Moore, assistant to the president; Wesley Green of the mortgage loan department; D. C. MacEwen, and Cary Groton, junior vice-president and head of the accident department. This group will visit Texas, Oklahoma, Arkansas, Tennessee, Ohio and Kentucky agents.

Country-Wide Contact Plan

A third delegation will start April 16, consisting of Vice-Presidents C. I. D. Moore, who is associate superintendent of agents; Asa V. Call, general counsel; Actuary Alfred Hann and W. R. Hoffman, western agency supervisor. They will visit Kansas, Minnesota, Iowa, Colorado and Salt Lake City agents.

A fourth delegation later will cover the states of Washington and Oregon. It is planned to have completed the nation-wide program of agency contacts by the middle of May.

The officials spoke at a two-day conference in Indianapolis, a feature of which was observance of the first anniversary of the Indianapolis agency under supervision of E. T. Bonham. Production for the territory has been more than doubled. Delegations were present from Louisville, Evansville and Fort Wayne.

Agents of the Detroit, Grand Rapids and Toledo general agencies met in Detroit, E. W. Albachten, general agent, Detroit, presiding. The home office group spoke. C. H. Davis of Chicago, supervisor of accident and health, spoke. C. T. Allen and Roy Severn, general agents Grand Rapids and Toledo, headed delegations from their cities.

Time Saver Out This Month

Accident and Health Policy Information
Book for 1934 Gives Complete Analysis of Nearly 1,000 Contracts

The new 1934 Time-Saver, recognized for the past 11 years by both agents and company men as the accident and health policy information book, will be off the press in April. It will contain analyses of almost 1,000 commercial accident and health policies. This handy book is in the accident and health insurance business what the Unique Manual Digest and the Little Gem are in the life insurance business. It is used by agents, field men and brokers all over the United States.

The new edition of the Time-Saver has complete analysis of each policy of the leading companies of all classes—multiple line, stock companies specializing on accident and health and those operating on the mutual or assessment basis—with rates for all ages and also elimination period rates and terms. It contains the limitations clause of every policy. The book also gives financial statements for the past year for the accident and health companies, together with the premiums and losses on accident and health business and lists states

Ranking of Life Companies as to Insurance in Force

(CONTINUED FROM PAGE 2)

Rank	1934	1933	Insurance in Force
229	...	Old Rep. Credit Group	7,757,071
230	...	Natl. Equity...	305,000
231	...	Harvester	7,703,411
232	...	Standard, Miss. Industrial	1,079,427
233	...	West. Reserve	7,607,500
234	...	Reliable L. & A. Industrial	7,585,912
235	...	Gt. Amer., Kan.	1,398,961
236	...	Trinity Life...	7,468,400
237	...	Missouri Ins...	7,327,333
238	...	Pacific Natl...	7,327,333
239	...	South. Old Line Group	7,239,037
240	...	Gt. Northwest. Natl. Old Line, Ark.	7,043,342
241	...	Kansas Life...	7,011,644
242	...	Dom. L. & A. Industrial	7,011,644
243	...	Cosm. Old Line Union States...	6,866,626
244	...	Manhattan Mut.	6,528,370
245	...	Paul Revere...	216,750
246	...	Postal Union...	6,397,417
247	...	Un. Life, Ark...	6,135,325
248	...	Industrial	5,722,722
249	...	Beacon Group	5,614,479
250	...	American Life & Acc., Mo...	4,809,197
251	...	Rio Grande Natl. Industrial	5,479,504
252	...	Postal National Group	5,285,145
253	...	Interstate Res.	5,253,974
254	...	Public National	5,201,320
255	...	Hamilton Natl.	5,175,457
256	...	United Ins. of America	5,083,896
257	...	Industrial	233,800
258	...	Bankers Union	5,014,985
259	...	Northw. Union	2,986,307
260	...	Mammoth L. & A., Ky.	4,745,561
261	...	Industrial	4,570,056
262	...	Reliance Mut...	4,702,050
263	...	No. Am. L. & C.	737,250
264	...	Pioneer Natl...	4,454,611
265	...	Fidelity, Md...	400,101
266	...	Industrial	4,266,192
267	...	Ministers Mut...	4,054,490
268	...	Un. Natl., Neb.	3,841,863
269	...	Guaranty, Ga.	3,378,258
270	...	Industrial	2,786,735
271	...	Western Mut...	271,878
272	...	Am. Thrift, Neb.	3,305,833
273	...	Stonewall	3,088,584
274	...	Intl. Travelers	3,061,566
275	...	Genl. Mutual...	2,987,276
276	...	Am. Un., Okla.	2,815,431
277	...	State Natl...	2,754,000
278	...	Northw. L. & A.	2,534,567
279	...	So. Genl. Mut.	2,534,567
280	...	Industrial	2,357,919
281	...	Cornbelt	2,335,962
282	...	Pioneer, Neb...	2,279,227
283	...	Industrial	2,188,198
284	...	Amer. Citizens	1,982,700
285	...	Colum. Catholic	1,888,014
286	...	Natl. Progress	1,886,854
287	...	Sterling L. & C.	1,840,380
288	...	Western Union	1,764,005
289	...	Acme Life, Okla.	1,665,191
290	...	Fed. L. & C...	1,375,725
291	...	Natl. Thrift...	1,249,458
292	...	Mut. Old Line	1,100,957
293	...	Ordinary	1,011,700
294	...	Group	1,011,530
295	...	Industrial	23,396
296	...	Totals:	926,183
297	...	Ordinary	894,575
298	...	Group	805,880
299	...	Industrial	653,750
300	...	Totals:	450,374
301	...	Ordinary	425,320
302	...	Group	320,000
303	...	Industrial	237,351
304	...	Totals:	70,946

\$103,219,119,975

in which each company is licensed to do business.

Care is used in preparing the book to make certain an accurate and complete synopsis of every policy shown. The price of the book is \$4. It is published by The National Underwriters Company, Cincinnati, O.

J. G. Hoyt, Jr., Stricken

John G. Hoyt, Jr., manager of the Kansas City agency of the Pyramid Life, and son of President J. G. Hoyt, was stricken with an acute attack of appendicitis while working at Harrington, Kan. He was taken to Kansas City and operated on at Bell Memorial hospital. He is now recuperating.

SALES IDEAS AND SUGGESTIONS

Psychologist Says Agents Must Be Selected Scientifically According to Definite Social Habits Acquired

There is a great deal of talk about psychology in life insurance selling but not enough done about it, H. C. Link, Ph.D., secretary Psychological Corporation of New York City, stated in a talk on "Psychology and Waste in Selling Life Insurance," at the round-table anniversary dinner in New York City, conducted by L. L. Montgomery. Mr. Montgomery is prominent for his work in stimulating life insurance production and sales generally in business.

A great deal is done in the name of psychology, Dr. Link said, which involves nothing more than has been done many times in the past. Too many agencies retain as psychologists people who are sick salesmen but have no official standing as psychologists. He considers there is no more excuse today for hiring pep artists to do the psychological work among the salesmen than there would be for employing astrologers and numerologists for actuarial work in life companies. There are many reasons, however, why the services of accredited psychologists might be profitably employed in reducing extravagant waste which now exists in this work, he said.

Of all the business, Dr. Link said, life insurance is probably the most scientific in its insurance aspect, but many wastes are to be found elsewhere in the profession.

"The selling of life insurance is, so

far as I know, one of the most wasteful businesses in existence," he stated. "It wastes the time, money and energy of thousands of salesmen who will be kept going for only a few months. It wastes office and desk space, materials and supervision, for sales staffs, an appalling percentage of which is not productive.

"It wastes the energy of its minority good salesmen by allowing its majority of poor salesmen to build up a resistance to insurance among the good prospects. The traditional resenting of the public toward insurance salesmen is not an accident. It was created by the present wasteful system of selling life insurance.

Merits of Insurance Rise Superior to Methods

"Only the transcendent merits of life insurance itself could withstand the wasteful and irritating method by which its sales have been promoted. People are beginning to realize that the greatest cost of life insurance is not the premium, but the time and energy they have to spend getting rid of importuning but poorly equipped salesmen.

"Life insurance selling, insofar as it rests on large numbers of salesmen who receive no minimum drawing account, and are therefore carelessly selected, is a parasite on society at large. This

fact is bound to be publicly recognized and dealt with, if not by progressive companies, then by some more arbitrary force.

"What can psychology contribute to this problem? The first attempts of psychologists in this field were brilliantly successful from a psychological point of view, but very disappointing from a practical viewpoint. I refer to the experiments with intelligence and mental alertness tests. A dozen or more excellent experiments in which some insurance companies invested considerable sums, proved that general intelligence was not required in selling life insurance.

Tests of Scholastic Ability Deemed Not a Criterion

"These tests were really tests of scholastic capacity or ability to make progress along educational lines. It has since been proved in additional ways, by the Phoenix Study, for example, that intelligence of the kind required by formal education is not important in selling life insurance—a negative but still a very valuable result.

"In the 15 years since these experiments, what has psychology contributed? Psychologists in 15 years of experimenting have developed tests which measure the extent to which people have acquired introvert or extrovert habits, so that they can say to an individual: 'You are more extrovert in your habits than the average person; in fact, you are more extrovert than 78 percent of normal people. You have the basic habits or personality traits which make it natural and easy for you to see the other man's point of view.' Or, 'You are more introvert in your habits than the average person, you are more intro-

C. L. U.

"Tracing Life Insurance Through the Depression" was discussed by Fred Cassidy, assistant manager Prudential, at a meeting of the Seattle C. L. U. chapter.

W. M. Liscom, Cleveland manager of the Bankers Life of Nebraska, has been elected to membership in the Cleveland Kiwanis Club as a representative of C. L. U. According to a letter received from Dr. Huebner, this is the first time that C. L. U. has been recognized in the Kiwanis membership.

verted than 85 percent of normal people. You should not go into field selling where success depends so largely on habits you do not possess.

"Salesmen who do not make enough calls are considered lazy. The one answer which general agents have for this problem is self-confidence. They try to inspire their salesmen with confidence in themselves, through pep talks, short training courses, and \$50 commercial courses in how to size up the prospect by the thickness of his lips or the slant of his eyebrows. They fail to realize that taking the initiative in calling on or talking with people consists of a wide collection of social habits which it takes many years to form and which many people never acquire to any extent.

"Our tests enable us to measure a collection of such habits so that we can say: 'In habits of taking the initiative in dealing with people you are

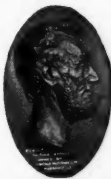
THE LINCOLN NATIONAL LIFE

INSURANCE COMPANY, of Fort

Wayne, Indiana, offers the FIVE

STAR ANNUITY. Meeting popu-

lar demand, this policy



provides ★ A Monthly Income for

Life ★ A cash option ★ Elective

Maturity Dates ★ Full Insurance

Protection to maturity ★ Guarant-

eed Low Cost Rates

"TOO BUSY—TOO HEALTHY— TOO LATE?"

THIS interesting booklet, available to you on behalf of your clients, recounts actual experiences of men who were not too busy, too healthy, or too late to secure the protection of a Pacific Mutual Non-Cancellable Disability Income Policy.

The **Pacific Mutual Life**
Insurance Company OF CALIFORNIA

GEORGE I. COCHRAN, PRESIDENT

Home Office
Los Angeles, California

Assets
Over \$198,000,000

better equipped than 65 percent of the population used as our norm or standard.' Or, 'You are less aggressive socially than 78 percent of normal adults.' In groups of life insurance salesmen we have tested in this way, we have found the average aggressiveness only very slightly above the average for people generally. In other words, the general agent might just as well have picked out the first 50 men he met on the street, so far as getting socially aggressive salesmen was concerned.

Life Selling Requires Definite Qualifications

"Training life insurance salesmen is a big enough job in itself without assuming the added burden of trying to train men who haven't at a mature age learned the habit of eating with a knife and fork socially, or how to tie their own shoe laces in getting other people's point of view. Psychological tests will not enable us to select men who are bound to be successful salesmen. They do enable us to select men who have at least the basic habits necessary for becoming good salesmen. They can help eliminate much of the extravagant waste in the present hit and miss system.

"Better still, they can help in diagnosing the particular weakness which is preventing some otherwise excellent underwriter from achieving his potential volume. There are many quarter million underwriters who could be

NEWS OF THE FRATERNALS

Demurrers of Societies Are Overruled in Tax Litigation

OKLAHOMA CITY, April 5.—Three district judges of Oklahoma county overruled demurrers brought by fraternal groups in cases filed by the state to collect license fees, penalties and premium tax since statehood, thus clearing the way for a court test.

Decision of the three judges upheld Governor Murray's right to bring the suits, instead of this right being vested in the insurance commissioner alone. The companies filing the demurrers were the Travelers Protective Association, Women's Benefit Association, Order of

equipped to write a million if their personality traits and habits were diagnosed so that they could be helped to adopt a plan suited to their individual needs."

Mr. Montgomery strongly urged the use of psychological tests and scientific methods to keep out those who are unfitted for the business and eliminate the present situation whereby the inefficient majority of agents produces only a small fraction of the total business.

United Commercial Travelers and Police & Firemen's Association.

Modern Woodmen Figures

National Secretary J. G. Ray of the Modern Woodmen finds that up to March 1 this year it paid 299,141, death claims during the time it has been in business, amounting to \$506,000,000. In addition it had paid over \$24,000,000 in cash disability benefits to more than 76,000 living members. The certificates of the Modern Woodmen run from \$500 to \$25,000. The valuation of its policies as of Dec. 31 shows a ratio of assets to liabilities of 100.17 percent.

Applies for Mutual Charter

TORONTO, April 5.—The Ancient Order of Foresters is applying to the Dominion parliament for power to re-incorporate as a mutual life insurance company. It was organized in Canada in 1881 and has 6,700 life policies and about 6,000 sickness policies in force.

Equitable Reserve's Record

The Equitable Reserve Association of Neenah, Wis., has recorded large increases in production this year. The January increase was 35.91 percent, February 85.12 percent, and March 124.34 percent, an average of 76.41 percent. In juvenile insurance even greater strides were made, January increase being 40.61 percent, February 111.25 percent, and March 133.5 percent, an average of 90.81 percent.

Annual report of President J. C. Karel of the Equitable Reserve shows \$200,000 increase in assets, total assets now being \$8,275,000. In the 37 years of its history, the Equitable Reserve distributed over \$10,500,000 to beneficiaries in death claim payments and \$2,080,000 in old age disability claims.

More than \$1,000,000 life premium income is reported. Over \$350,000 interest on investments was received. Death claims totaled \$450,000, and \$240,000 was paid in dividends, retirement of contracts and old age benefits.

Ten Million in March

In a president's month campaign in honor of President D. E. Bradshaw's 35th anniversary as an executive the Woodmen of the World wrote more than \$10,000,000 in new business, \$1,620,000 being written in one day.

In Drive for Head Consul

Representatives of the Woodmen of the World of Denver are engaged in a "head consul's campaign" in honor of 30 years of continuous service of Head Consul Peter F. Gilroy, the anniversary being June 6.

Statement for 1933 Given

Total admitted assets of \$3,654,485 are shown in the annual statement of the Catholic Knights of St. George. Net premiums from members were \$452,882 and total income \$612,347. Total benefits paid were \$478,472, total disbursements \$647,810. Book value of bonds was \$2,051,486, real estate \$154,540, real estate mortgages \$1,194,710, cash \$77,834. Total liabilities were \$3,167,678.

Lutheran Mutual Aid Report

Assets of the Lutheran Mutual Aid Society, Waverly, Ia., are reported in its financial statement to be \$4,727,361.

WANTED: Position as Manager or Agency Supervisor. Agency Supervisor with over five years consecutive experience, desires position. Has excellent personal production record; knows how to train men and agency work. Prefers territory away from Great Lakes but will consider other territory. Address The National Underwriter, Box Y-49, 123 William Street, New York, N. Y.

a gain of \$533,878 in a year. Net tabular mean reserve is \$3,911,795. After setting aside other funds, there remain additional securities for members in contingent reserves of \$353,521 and free surplus \$271,878. Actual to expected mortality on American Experience basis was 35.65 percent; net rate of interest earned, 4.77 percent; insurance in force at end of last year, \$33,571,232.

Plans for Fraternal Day

Last year the National Fraternal Congress promoted "Fraternal Day" in connection with the Century of Progress Exposition in Chicago. Plans for the celebration of "National Fraternal Day" throughout the United States for 1934 are in charge of Mrs. E. M. Mahan of Milwaukee, chairman of the publicity bureau.

Meetings in New England

The grand lodge of Massachusetts, New England Order of Protection, held its 47th annual session in Boston. Capital lodge No. 301 of Hartford plans a reception of the supreme and grand lodge officers April 10 before the annual meeting of the Connecticut grand lodge.

Presents Business Cover Plan

BOSTON, April 5.—At the Boston Life Insurance Trust Council's meeting J. H. Atwood of the Curtis agency of the New England Mutual Life, presented an analysis showing how, by means of life insurance and a purchase trust agreement, two members of a firm owning 750 shares of common and 1,092 shares of preferred stock might perpetuate the business and protect the respective families of the firm's members against loss. An elaborate chart showing the working out of the plan was displayed. Questions pertaining to stock taxes were brought out and clarified.

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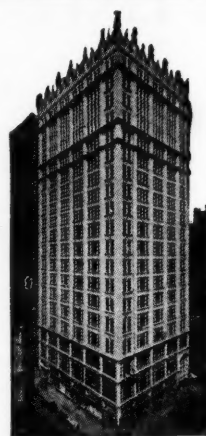
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